

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐**APPLICATION FOR PERMIT TO DRILL****1. WELL NAME and NUMBER**

East Chapita 86-03

**2. TYPE OF WORK**DRILL NEW WELL ☒ REENTER P&A WELL ☐ DEEPEN WELL ☐**3. FIELD OR WILDCAT**

NATURAL BUTTES

**4. TYPE OF WELL**

Gas Well Coalbed Methane Well: NO

**5. UNIT or COMMUNITIZATION AGREEMENT NAME****6. NAME OF OPERATOR**

EOG Resources, Inc.

**7. OPERATOR PHONE**

435 781-9111

**8. ADDRESS OF OPERATOR**

600 17th Street, Suite 1000 N, Denver, CO, 80202

**9. OPERATOR E-MAIL**

kaylene\_gardner@egoresources.com

**10. MINERAL LEASE NUMBER  
(FEDERAL, INDIAN, OR STATE)**

UTU01304

**11. MINERAL OWNERSHIP**FEDERAL ☒ INDIAN ☐ STATE ☐ FEE ☐**12. SURFACE OWNERSHIP**FEDERAL ☒ INDIAN ☐ STATE ☐ FEE ☐**13. NAME OF SURFACE OWNER (if box 12 = 'fee')****14. SURFACE OWNER PHONE (if box 12 = 'fee')****15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')****16. SURFACE OWNER E-MAIL (if box 12 = 'fee')****17. INDIAN ALLOTTEE OR TRIBE NAME  
(if box 12 = 'INDIAN')****18. INTEND TO COMMINGLE PRODUCTION FROM  
MULTIPLE FORMATIONS**YES ☐ (Submit Commingling Application) NO ☒**19. SLANT**VERTICAL ☒ DIRECTIONAL ☐ HORIZONTAL ☐**20. LOCATION OF WELL****FOOTAGES****QTR-QTR****SECTION****TOWNSHIP****RANGE****MERIDIAN****LOCATION AT SURFACE**

2063 FNL 818 FWL

SWNW

3

9.0 S

23.0 E

S

**Top of Uppermost Producing Zone**

2063 FNL 818 FWL

SWNW

3

9.0 S

23.0 E

S

**At Total Depth**

2063 FNL 818 FWL

SWNW

3

9.0 S

23.0 E

S

**21. COUNTY**

UINTAH

**22. DISTANCE TO NEAREST LEASE LINE (Feet)**

818

**23. NUMBER OF ACRES IN DRILLING UNIT**

2451

**25. DISTANCE TO NEAREST WELL IN SAME POOL  
(Applied For Drilling or Completed)**

1350

**26. PROPOSED DEPTH**

MD: 9380 TVD: 3980

**27. ELEVATION - GROUND LEVEL**

4996

**28. BOND NUMBER**

NM2308

**29. SOURCE OF DRILLING WATER /  
WATER RIGHTS APPROVAL NUMBER IF APPLICABLE**

49-225

**ATTACHMENTS****VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES**

WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER



COMPLETE DRILLING PLAN



AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)



FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER

DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY  
DRILLED)

TOPOGRAPHICAL MAP

**NAME** Mary Maestas**TITLE** Regulatory Assistant**PHONE** 303 824-5526**SIGNATURE****DATE** 11/25/2008**EMAIL** mary\_maestas@egoresources.com**API NUMBER ASSIGNED**  
43047501980000**APPROVAL**


Permit Manager

| Proposed Hole, Casing, and Cement |                 |                    |                |             |       |        |
|-----------------------------------|-----------------|--------------------|----------------|-------------|-------|--------|
| String                            | Hole Size       | Casing Size        | Top (MD)       | Bottom (MD) |       |        |
| Cond                              | 17.5            | 13.375             | 0              | 60          |       |        |
| Pipe                              | Grade           | Length             | Weight         |             |       |        |
|                                   | Grade H-40 ST&C | 60                 | 48.0           |             |       |        |
|                                   |                 |                    |                |             |       |        |
|                                   | Cement Interval | Top (MD)           | Bottom (MD)    |             |       |        |
|                                   |                 | 0                  | 60             |             |       |        |
|                                   |                 | Cement Description | Class          | Sacks       | Yield | Weight |
|                                   |                 |                    | Class C Cement | 0           | 0.0   | 0.0    |
|                                   |                 |                    |                |             |       |        |

| Proposed Hole, Casing, and Cement |                 |                    |                |             |       |        |
|-----------------------------------|-----------------|--------------------|----------------|-------------|-------|--------|
| String                            | Hole Size       | Casing Size        | Top (MD)       | Bottom (MD) |       |        |
| Surf                              | 12.25           | 9.625              | 0              | 2300        |       |        |
| Pipe                              | Grade           | Length             | Weight         |             |       |        |
|                                   | Grade J-55 ST&C | 2300               | 36.0           |             |       |        |
|                                   |                 |                    |                |             |       |        |
|                                   | Cement Interval | Top (MD)           | Bottom (MD)    |             |       |        |
|                                   |                 | 0                  | 2300           |             |       |        |
|                                   |                 | Cement Description | Class          | Sacks       | Yield | Weight |
|                                   |                 |                    | Class G Cement | 185         | 3.82  | 11.0   |
|                                   |                 |                    | Class G Cement | 207         | 1.18  | 15.6   |
|                                   |                 |                    |                |             |       |        |

| Proposed Hole, Casing, and Cement |                 |                    |             |             |       |        |
|-----------------------------------|-----------------|--------------------|-------------|-------------|-------|--------|
| String                            | Hole Size       | Casing Size        | Top (MD)    | Bottom (MD) |       |        |
| Prod                              | 7.875           | 4.5                | 0           | 9380        |       |        |
| Pipe                              | Grade           | Length             | Weight      |             |       |        |
|                                   | Grade N-80 LT&C | 9380               | 11.6        |             |       |        |
|                                   |                 |                    |             |             |       |        |
|                                   | Cement Interval | Top (MD)           | Bottom (MD) |             |       |        |
|                                   |                 | 2300               | 9380        |             |       |        |
|                                   |                 | Cement Description | Class       | Sacks       | Yield | Weight |
|                                   |                 |                    | Hi Lift "G" | 143         | 3.91  | 11.0   |
|                                   |                 |                    | 50/50 Poz   | 882         | 1.28  | 14.1   |
|                                   |                 |                    |             |             |       |        |

**EIGHT POINT PLAN**

**EAST CHAPITA 86-03**

**SW/NW, SEC. 3, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:**

| FORMATION              | TVD-RKB (ft) | Objective | Lithology |     |
|------------------------|--------------|-----------|-----------|-----|
| Green River            | 1,988        |           | Shale     |     |
| Mahogany Oil Bed Shale | 2,636        |           | Shale     |     |
| Wasatch                | 4,861        | Primary   | Sandstone | Gas |
| Chapita Wells          | 5,454        | Primary   | Sandstone | Gas |
| Buck Canyon            | 6,115        | Primary   | Sandstone | Gas |
| North Horn             | 6,665        | Primary   | Sandstone | Gas |
| KMV Price River        | 7,122        | Primary   | Sandstone | Gas |
| KMV Price River Middle | 7,834        | Primary   | Sandstone | Gas |
| KMV Price River Lower  | 8,626        | Primary   | Sandstone | Gas |
| Sego                   | 9,176        |           | Sandstone |     |
| <b>TD</b>              | <b>9,380</b> |           |           |     |

Estimated TD: **9,380' or 200'± below TD**

**Anticipated BHP: 5,122 Psig**

- Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
- Cement isolation is installed to surface of the well isolating all zones by cement.

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

**4. CASING PROGRAM:**

| CASING     | Hole Size | Length            | Size    | WEIGHT | Grade | Thread | Rating Collapse | Factor Burst | Tensile  |
|------------|-----------|-------------------|---------|--------|-------|--------|-----------------|--------------|----------|
| Conductor  | 17 1/2"   | 0 – 60'           | 13 5/8" | 48.0#  | H-40  | STC    | 770 PSI         | 1730 PSI     | 322,000# |
| Surface    | 12 1/4"   | 0 – 2,300'<br>KB± | 9-5/8"  | 36.0#  | J-55  | STC    | 2020 PSI        | 3520 Psi     | 394,000# |
| Production | 7-7/8"    | Surface – TD      | 4-1/2"  | 11.6#  | N-80  | LTC    | 6350 PSI        | 7780 Psi     | 223,000# |
|            |           |                   |         |        |       |        |                 |              |          |

**Note:** 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

**All casing will be new or inspected.**

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**EAST CHAPITA 86-03**

**SW/NW, SEC. 3, T9S, R23E, S.L.B.&M.,**  
**UINTAH COUNTY, UTAH**

**5. Float Equipment:**

**Surface Hole Procedure (0' - 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

**Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

**Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):** Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

**2300'± - TD** A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Defloculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

**EIGHT POINT PLAN**

**EAST CHAPITA 86-03**

**SW/NW, SEC. 3, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**7. VARIANCE REQUESTS:**

**Reference:**     **Onshore Oil and Gas Order No. 1**  
                         **Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations**

- EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, requiring during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by waster mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

**8. EVALUATION PROGRAM:**

**Logs:**                     Mud log from base of surface casing to TD.  
**Cased-hole Logs:**     Cased-hole logs will be run in lieu of open-hole logs consisting of the following:  
                                 **Cement Bond / Casing Collar Locator and Pulsed Neutron**

**EIGHT POINT PLAN**

**EAST CHAPITA 86-03**

**SW/NW, SEC. 3, T9S, R23E, S.L.B.&M.,**  
**UINTAH COUNTY, UTAH**

**9. CEMENT PROGRAM:**

**Surface Hole Procedure (Surface - 2300'±):**

**Lead:**     **185 sks** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:**     **207 sks** Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:**     Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

**Production Hole Procedure (2300'± - TD)**

**Lead:**     **143 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:**     **882 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:**     The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.



**EIGHT POINT PLAN**

**EAST CHAPITA 86-03**

**SW/NW, SEC. 3, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

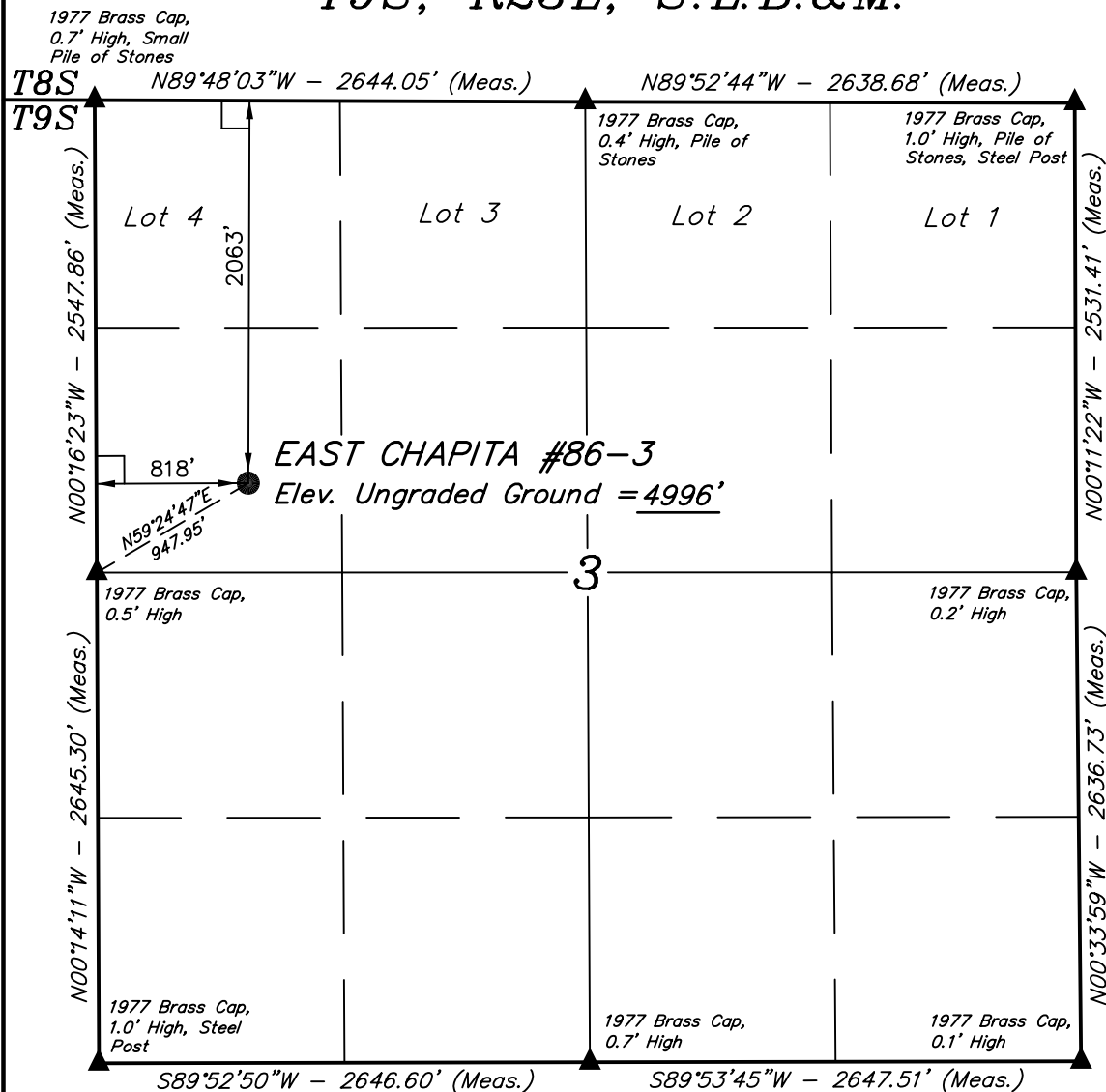
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

**13. Air Drilling Operations:**

- 1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
- 4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
- 5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
- 6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

**(Attachment: BOP Schematic Diagram)**

*T9S, R23E, S.L.B.&M.*



**LEGEND:**

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)  
LATITUDE = 40°03'58.74" (40.066317)  
LONGITUDE = 109°19'10.91" (109.319697)  
(NAD 27)  
LATITUDE = 40°03'58.86" (40.066350)  
LONGITUDE = 109°19'08.47" (109.319019)

**EOG RESOURCES, INC.**

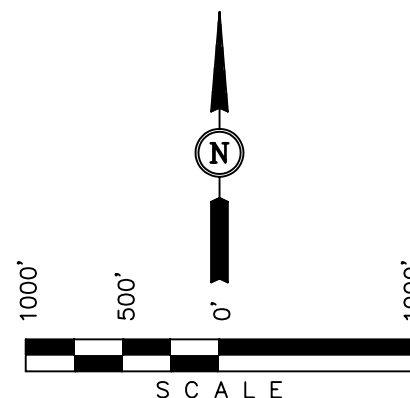
Well location, EAST CHAPITA #86-3, located as shown in the SW 1/4 NW 1/4 of Section 3, T9S, R23E, S.L.B.&M., Uintah County, Utah.

**BASIS OF ELEVATION**

BENCHMARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

**BASIS OF BEARINGS**

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



**CERTIFICATE**

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

**ROBERT L. KAY**  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

**UINTAH ENGINEERING & LAND SURVEYING**  
**85 SOUTH 200 EAST - VERNAL, UTAH 84078**  
(435) 789-1017

|                         |                             |                         |
|-------------------------|-----------------------------|-------------------------|
| SCALE<br>1" = 1000'     | DATE SURVEYED:<br>08-29-08  | DATE DRAWN:<br>09-11-08 |
| PARTY<br>T.M. M.H. C.C. | REFERENCES<br>G.L.O. PLAT   |                         |
| WEATHER<br>HOT          | FILE<br>EOG RESOURCES, INC. |                         |

**EOG RESOURCES, INC.**  
**EAST CHAPITA #86-3**  
LOCATED IN UTAH COUNTY, UTAH  
SECTION 3, T9S, R23E, S.L.B.&M.

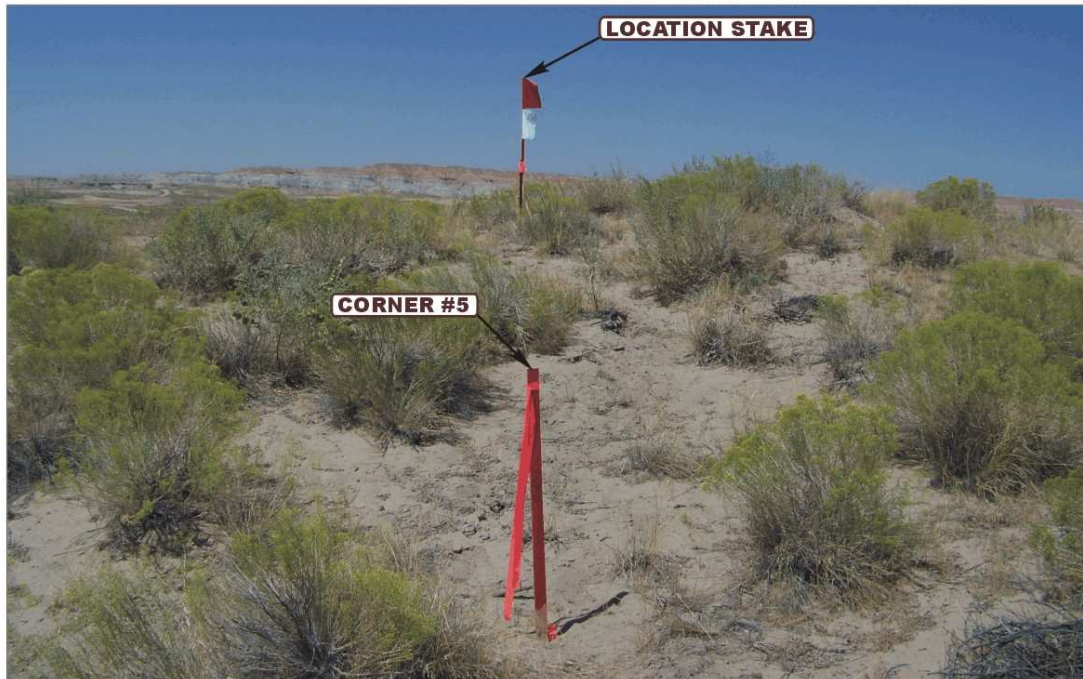


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**LOCATION PHOTOS**

**09 18 08**  
MONTH DAY YEAR

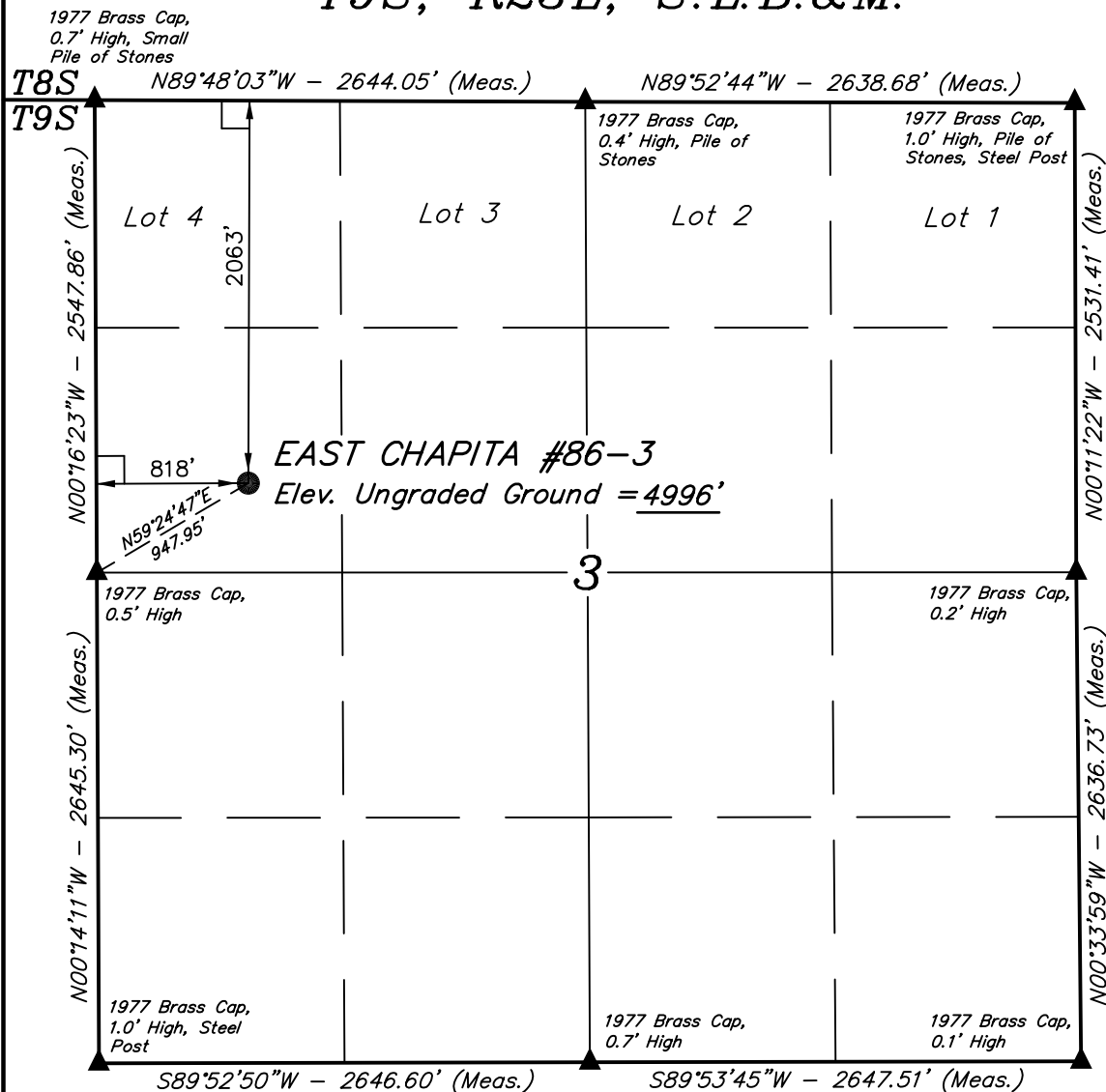
PHOTO

TAKEN BY: T.M.

DRAWN BY: Z.L.

REVISED: 00-00-00

*T9S, R23E, S.L.B.&M.*



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**EOG RESOURCES, INC.**

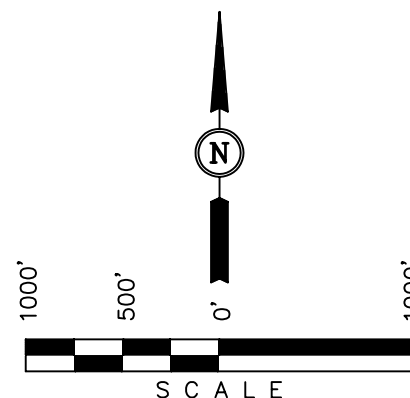
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|                         |                             |                         |
|-------------------------|-----------------------------|-------------------------|
| SCALE<br>1" = 1000'     | DATE SURVEYED:<br>08-29-08  | DATE DRAWN:<br>09-11-08 |
| PARTY<br>T.M. M.H. C.C. | REFERENCES<br>G.L.O. PLAT   |                         |
| WEATHER<br>HOT          | FILE<br>EOG RESOURCES, INC. |                         |

APIWellNo:43047501980000



# EOG RESOURCES, INC.

FIGURE #1

## LOCATION LAYOUT FOR

EAST CHAPITA #86-3  
SECTION 3, T9S, R23E, S.L.B.&M.

Topsoil Stockpile 2063' FNL 818' FWL

Topsoil Stockpile

Approx.  
Toe of  
Fill Slope

F-7.6'  
El. 4979.8'

F-14.8'  
El. 4972.6'

SCALE: 1" = 50'  
DATE: 09-12-08  
Drawn By: U.C.I.

### NOTE:

Flare Pit is to  
be located a min.  
of 100' from the  
Well Head.

Pit Topsoil

FLARE PIT

C-1.7'  
El. 4989.1'  
(btm. pit)

Reserve Pit Backfill  
& Spoils Stockpile

Approx.  
Top of  
Cut Slope

C-30.1'  
El. 5005.47'  
(btm. pit)

15' WIDE BENCH

RESERVE PITS  
(12' Deep)

Total Pit Capacity  
W/2' of Freeboard  
= 14,950 Bbls.±  
Total Pit Volume  
= 4,030 Cu. Yds

C-5.3'  
El. 4992.7'

C-9.0'  
El. 4996.4'

RIG

DOG HOUSE

WATER

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

Sta. 0+50

TRASH

C-1.7'  
El. 4989.1'

C-3.9'  
El. 4991.3'

20' WIDE BENCH

STORAGE  
TANK

F-0.5'  
El. 4986.9'

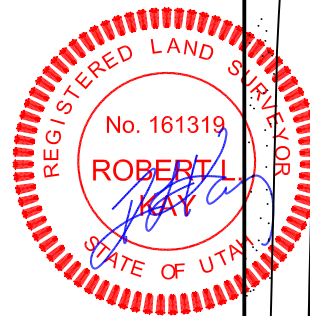
Sta. 0+00

Proposed Access  
Road

Elev. Ungraded Ground at Location Stake = 4996.4'

Elev. Graded Ground at Location Stake = 4987.4'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017



AREA OF MAX. DISTURBANCE

# EOG RESOURCES, INC.

## TYPICAL CROSS SECTIONS FOR

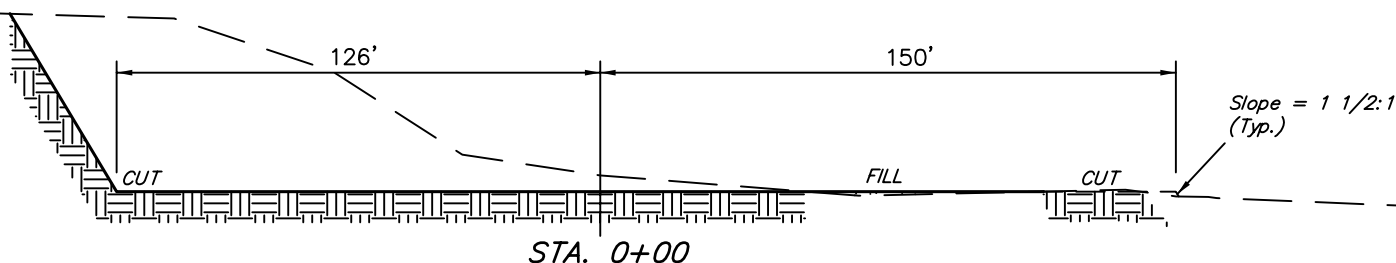
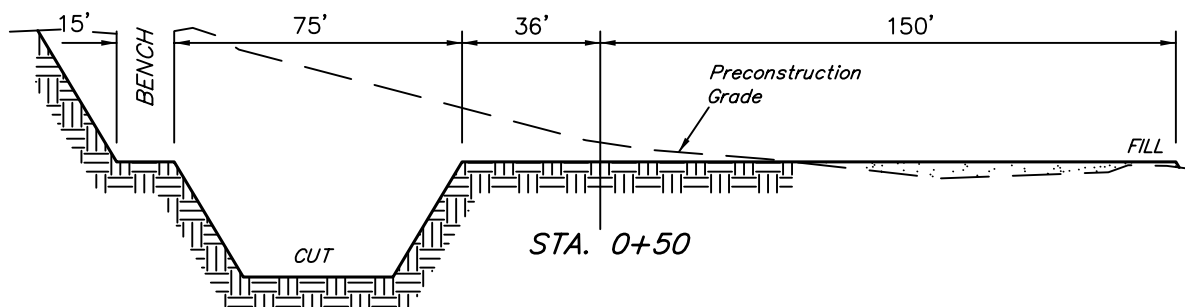
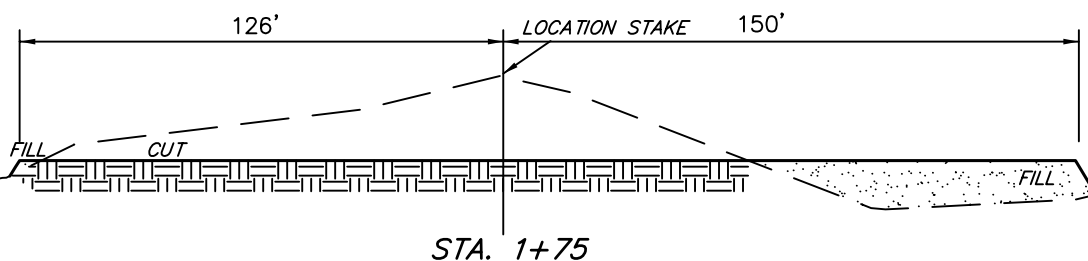
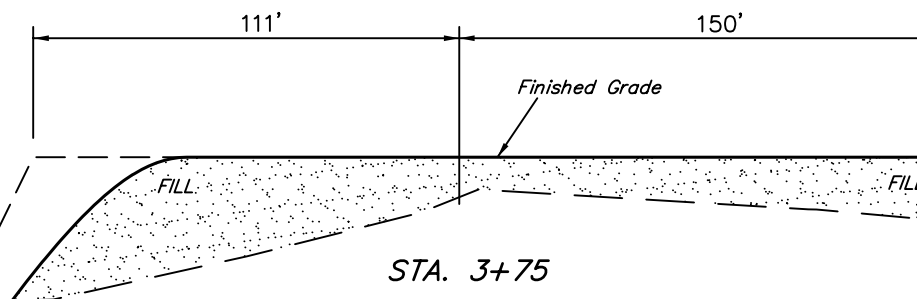
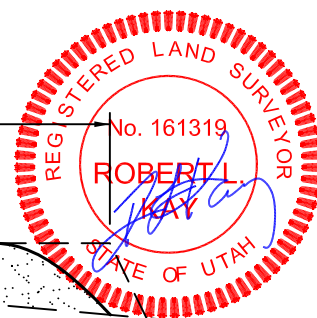
EAST CHAPITA #86-3  
SECTION 3, T9S, R23E, S.L.B.&M.  
2063' FNL 818' FWL

FIGURE #2

DATE: 09-12-08

Drawn By: U.C.I.

1" = 20'  
X-Section  
Scale  
1" = 50'



### NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

### APPROXIMATE ACREAGES

WELL SITE DISTURBANCE = ±2.978 ACRES  
ACCESS ROAD DISTURBANCE = ±0.076 ACRES  
PIPELINE DISTURBANCE = ±2.593 ACRES  
TOTAL = ±5.647 ACRES

### \* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

### APPROXIMATE YARDAGES

(6") Topsoil Stripping = 2,210 Cu. Yds.  
Remaining Location = 12,980 Cu. Yds.  
TOTAL CUT = 15,190 CU.YDS.  
FILL = 10,960 CU.YDS.

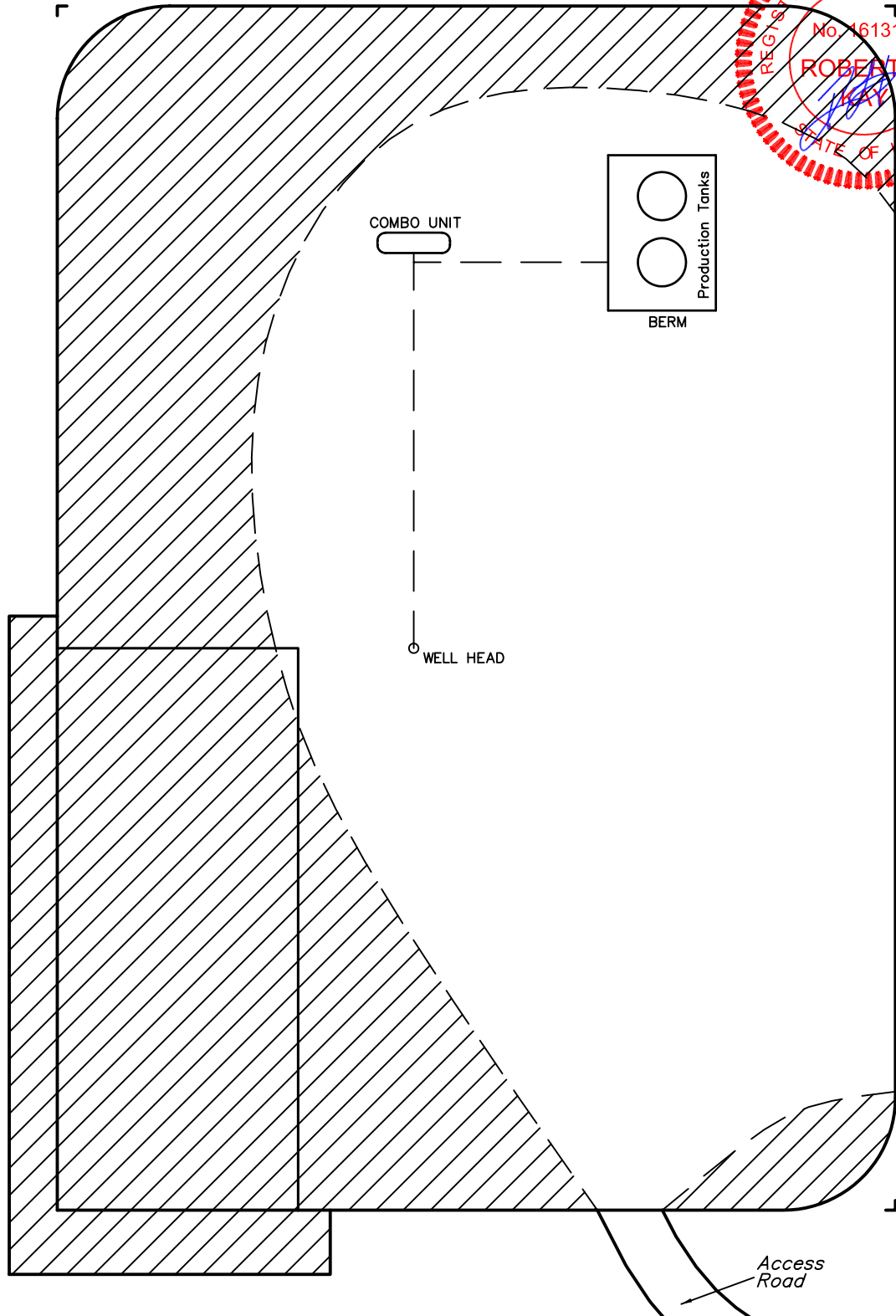
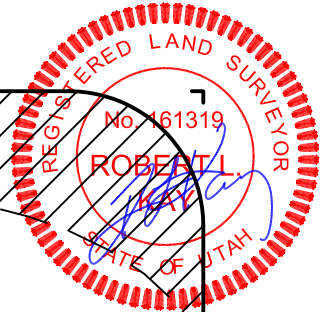
EXCESS MATERIAL = 4,230 Cu. Yds.  
Topsoil & Pit Backfill (1/2 Pit Vol.) = 4,230 Cu. Yds.  
EXCESS UNBALANCE = 0 Cu. Yds. (After Interim Rehabilitation)


UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

**EOG RESOURCES, INC.**  
**PRODUCTION FACILITY LAYOUT FOR**  
**EAST CHAPITA #86-3**  
**SECTION 3, T9S, R23E, S.L.B.&M.**  
**2063' FNL 818' FWL**

**FIGURE #3**

SCALE: 1" = 50'  
DATE: 09-12-08  
Drawn By: U.C.I.



 RE-HABED AREA

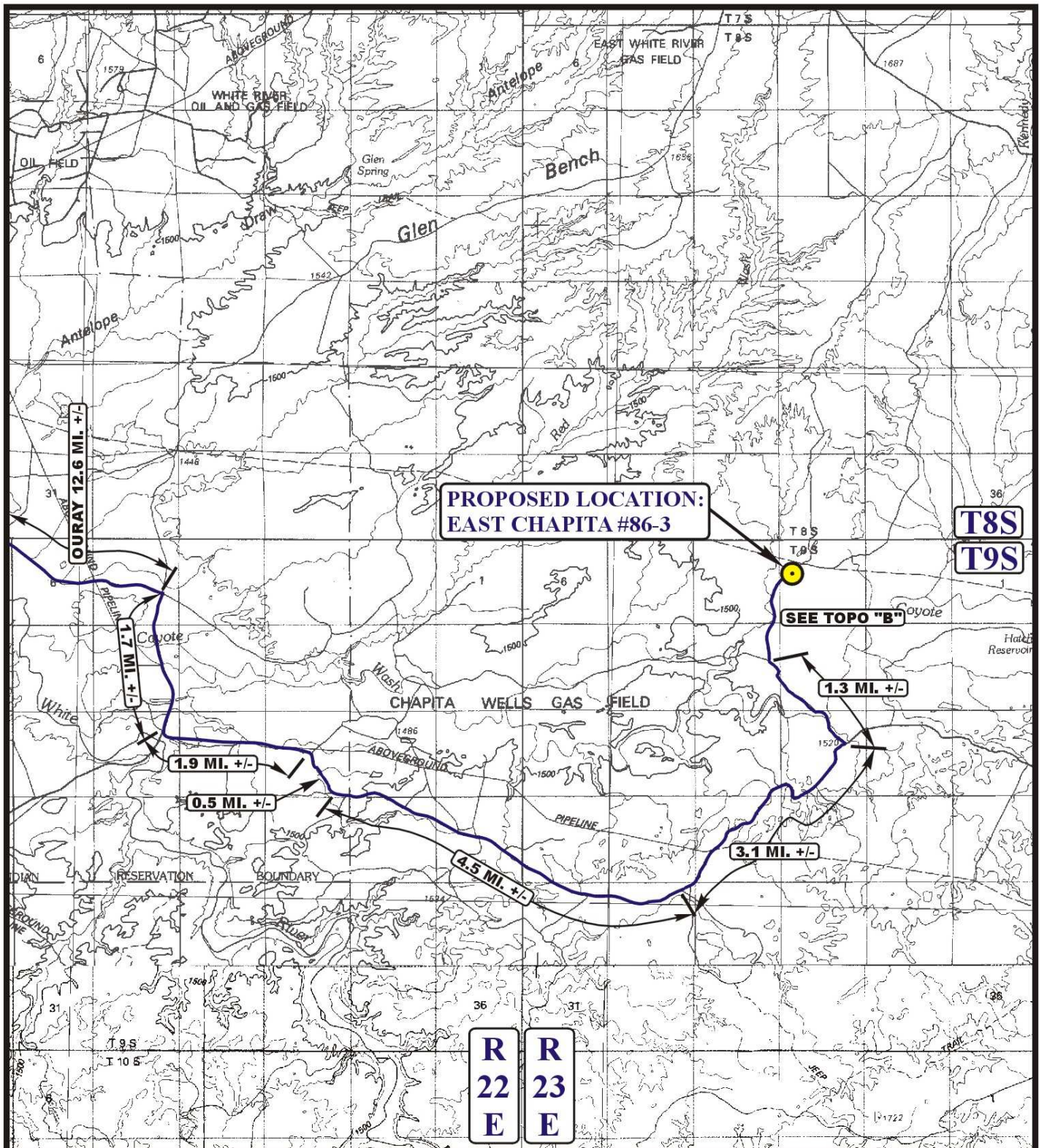
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EOG RESOURCES, INC.  
EAST CHAPITA #86-3  
SECTION 3, T9S, R23E, S.L.B.&M.

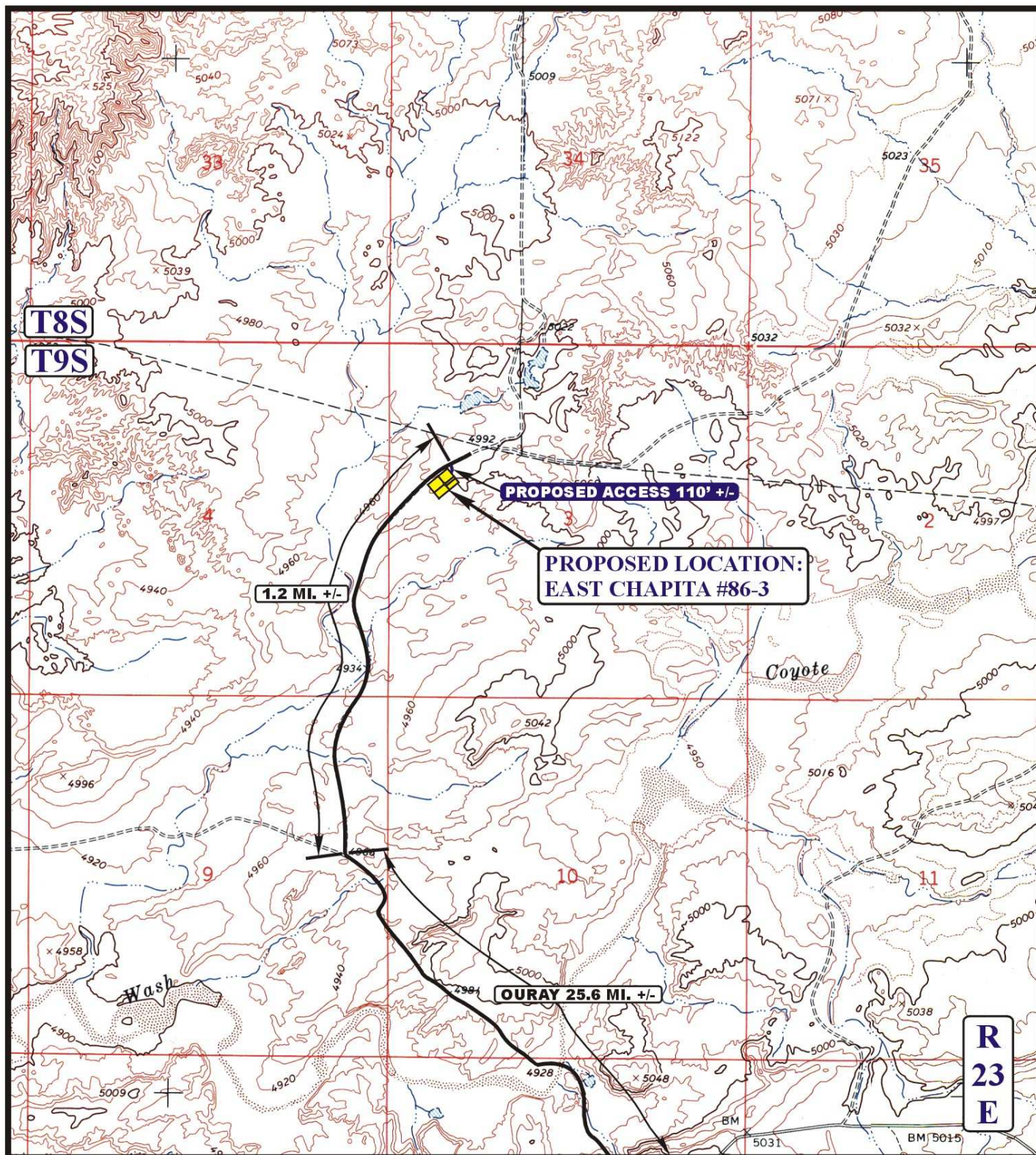
PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 4.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 3.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 1.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 110' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 57.8 MILES.









**LEGEND:**

— EXISTING ROAD  
 - - - PROPOSED ACCESS ROAD

**EOG RESOURCES, INC.**

**EAST CHAPITA #86-3**  
**SECTION 3, T9S, R23E, S.L.B.&M.**  
**2063' FNL 818' FWL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



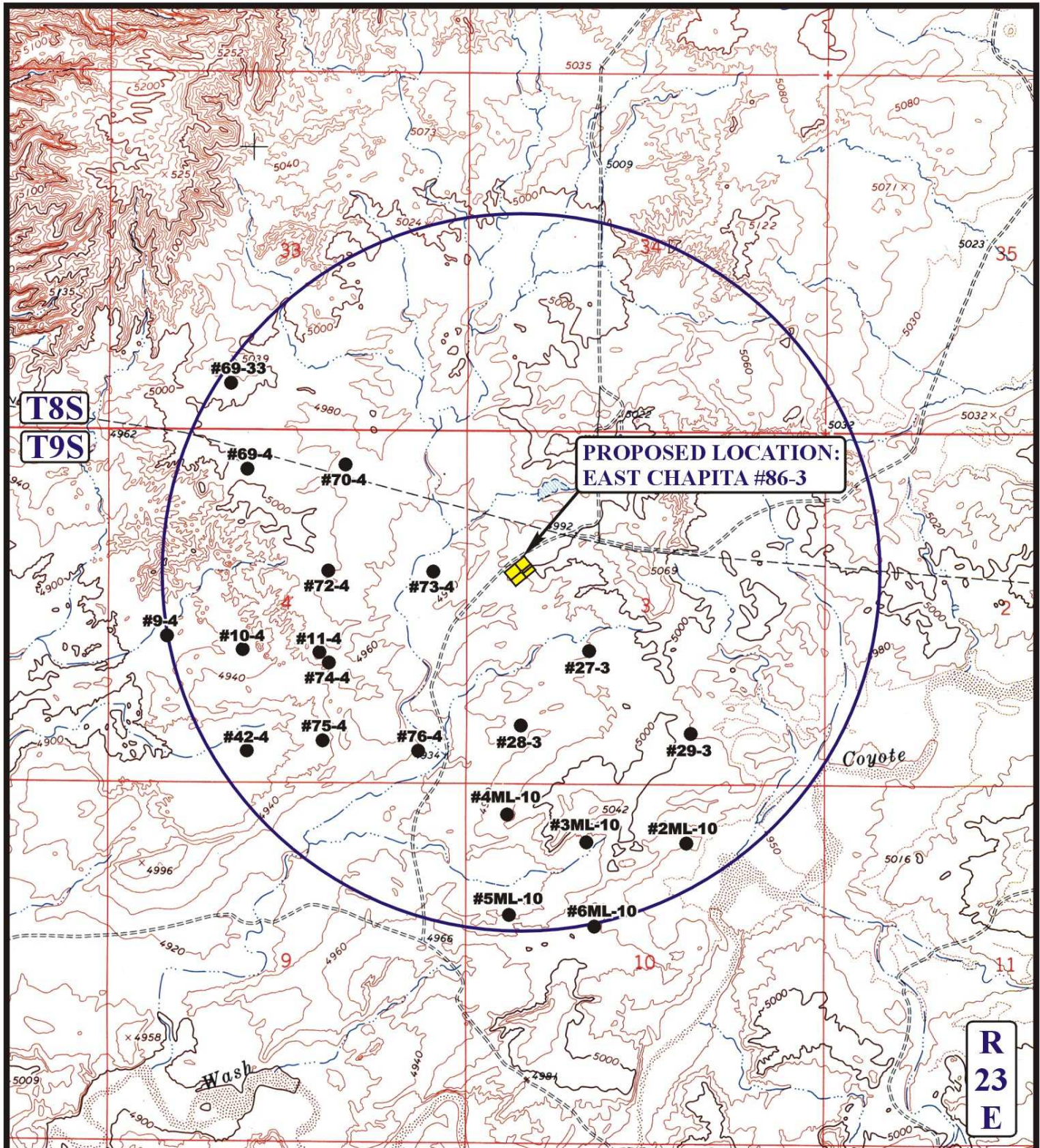
**TOPOGRAPHIC**  
**MAP**

**09 18 08**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: Z.L. REVISED: 00-00-00

**B**  
**TOPO**





# LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

## EOG RESOURCES, INC.

EAST CHAPITA #86-3  
SECTION 3, T9S, R23E, S.L.B.&M.  
2063' FNL 818' FWL



Utah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
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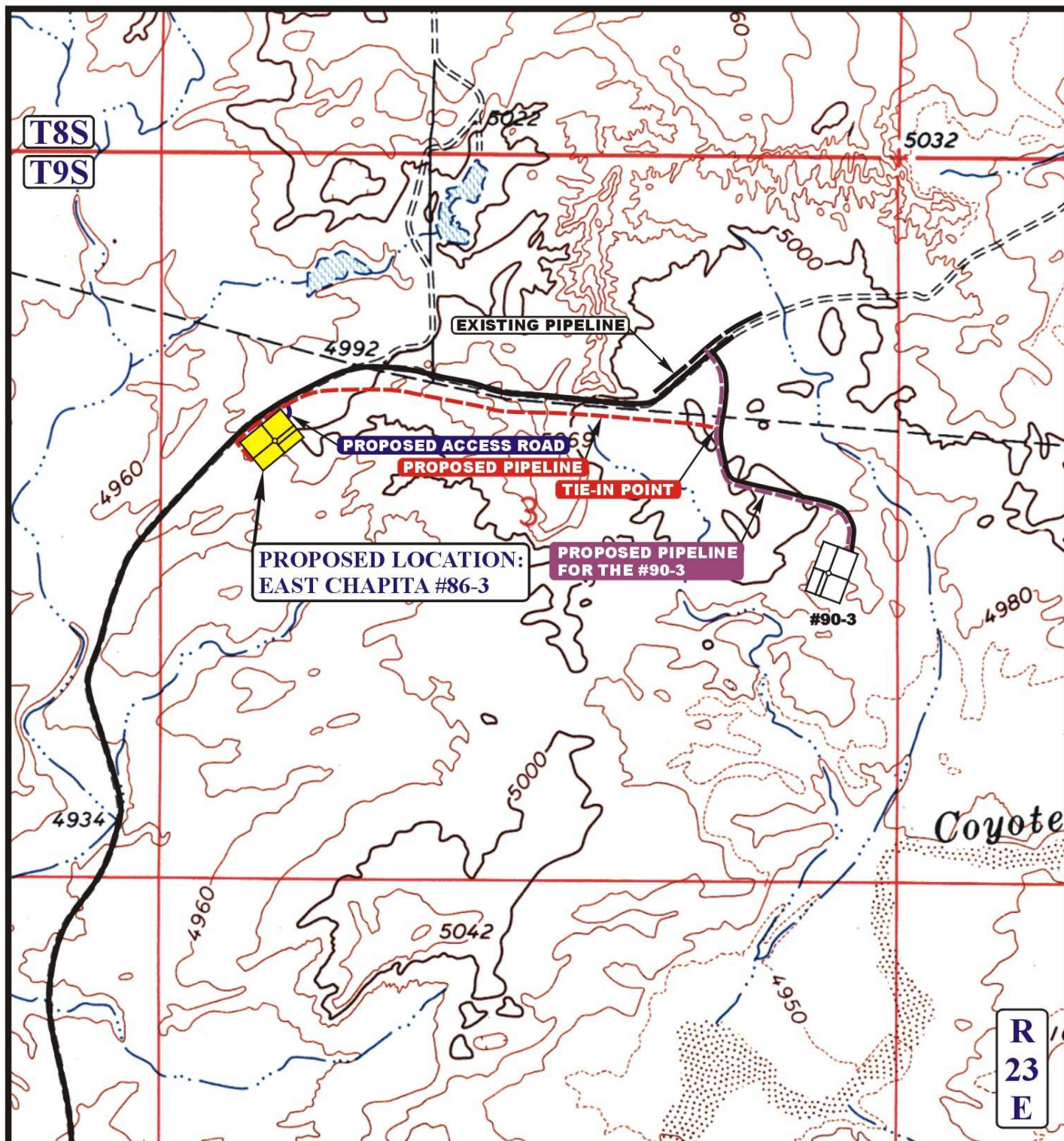
TOPOGRAPHIC  
MAP

09 18 08  
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: Z.L. REVISED: 00-00-00







APPROXIMATE TOTAL PIPELINE DISTANCE = 3,765' +/-

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- - - - - PROPOSED PIPELINE
- - - - - PROPOSED PIPELINE (SERVICING OTHER WELLS)



**EOG RESOURCES, INC.**

**EAST CHAPITA #86-3**  
**SECTION 3, T9S, R23E, S.L.B.&M.**  
**2063' FNL 818' FWL**



**Utah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

**09 18 08**  
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: Z.L. REVISED: 00-00-00





***East Chapita 86-03  
SWNW, Section 3, T9S, R23E  
Uintah County, Utah***

***SURFACE USE PLAN***

The well pad is approximately 375 feet long with a 261-foot width, containing 2.25 acres more or less. The well access road is approximately 110 feet long with a 30-foot right-of-way, disturbing approximately .08 acre. New surface disturbance associated with the well pad and access road is estimated to be 2.33 acres. The pipeline is approximately 3765 feet long with a 40-foot temporary right-of-way and an 8 foot permanent right-of-way disturbing approximately 3.46 acres.

***1. EXISTING ROADS:***

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 57.8 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

***2. PLANNED ACCESS ROAD:***

- A. The access road will be approximately 110' in length, with a 60" CMP installed in the barrow ditch where the access road starts. See attached Topo B.
- B. The access road has a 30-foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

- I. A 30-foot permanent right-of-way is requested. No surfacing material will be used.
- J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed, safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the roadbed block the drainages. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 30-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

An off-lease right-of-way is not required. The entire length of the proposed access road is located within Federal Lease U-01304.

### **3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:**

See attached TOPO map "C" for the location of wells within a one-mile radius.

**4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:**

**A. On Well Pad**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and attaching piping.
2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

**B. Off Well Pad**

1. Proposed pipeline will transport natural gas.
2. The pipeline will be a permanent feeder line.
3. The length of the proposed pipeline is 3765' x 40'. The proposed pipeline leaves the western edge of the well pad (Lease U-01304) proceeding in an easterly direction for an approximate distance of 3765' tying into a proposed pipeline for the East Chapita 90-03 in the SWNE of Section 3, T9S, R23E (Lease U-01304). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface
5. Proposed pipeline will be laid on surface.
6. An off-lease right-of-way is not required. The entire length of the proposed pipeline is located within Federal Lease U-01304.
7. The proposed pipeline route begins in the SWNW of Section 3, Township 9S, Range 23E, proceeding easterly for an approximate distance of 3765' to the SWNE of Section 3, Township 9S, Range 23E.
8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All facilities will be painted with Carlsbad Canyon or Covert Green.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

**5. LOCATION AND TYPE OF WATER SUPPLY:**

- A. Water supply will be Bonanza Power Plant water source in Sec 26, T8S, R23E, Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

**6. SOURCE OF CONSTRUCTION MATERIALS:**

- A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

**7. METHODS OF HANDLING WASTE DISPOSAL:**

**A. METHODS AND LOCATION**

- 1. Cuttings will be confined in the reserve pit.
  - 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
  - 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
  - 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD, CWU 2-29 SWD, Red Wash Evaporation ponds 1, 2, 3 4, 5 or 6, Coyote Evaporation Ponds 1, 2, 3, or 4, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
  - 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.



The reserve pit shall be lined with felt, and a 16-millimeter plastic liner. Sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) will be used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

## **8. ANCILLARY FACILITIES:**

None anticipated.

## **9. WELL SITE LAYOUT:**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the east corner of the location. The flare pit will be located downwind of the prevailing wind direction on the south side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil south of corner B. The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protection of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the northeast.

**The corners of the well pad will be rounded off as needed to minimize excavation.**

**FENCING REQUIREMENTS:**

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

**10. PLANS FOR RECLAMATION OF THE SURFACE:**

**A. Interim Reclamation (Producing Location)**

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

| <b>Seed Mixture</b>    | <b>Drilled Rate<br/>(lbs./acre PLS*)</b> |
|------------------------|--|
| HyCrest Wheatgrass     | 4.0                                      |
| Fourwing Saltbush      | 4.0                                      |
| Needle and Threadgrass | 4.0                                      |

\*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

### ***B. Dry Hole/Abandoned Location***

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

| <b>Seed Mixture</b>    | <b>Drilled Rate<br/>(lbs./acre PLS*)</b> |
|------------------------|--|
| Fourwing Saltbush      | 4.0                                      |
| Indian Ricegrass       | 3.0                                      |
| Needle and Threadgrass | 3.0                                      |
| HyCrest Wheatgrass     | 1.0                                      |
| Scarlet Globe Mallow   | 1.0                                      |

\*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

**11. SURFACE OWNERSHIP:**

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

**Bureau of Land Management**

**12. OTHER INFORMATION:**

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.
- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and will be submitted by Montgomery Archaeological Consultants. A paleontological survey was conducted and will be submitted by Intermountain Paleo.

**Additional Surface Stipulations:**

None.

***LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:***

**PERMITTING AGENT**

Mary A. Maestas  
EOG Resources, Inc.  
1060 East Highway 40  
Vernal, UT 84078  
(435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

**CERTIFICATION:**

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the East Chapita 86-03 Well, located in the SWNW, of Section 3, T9S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

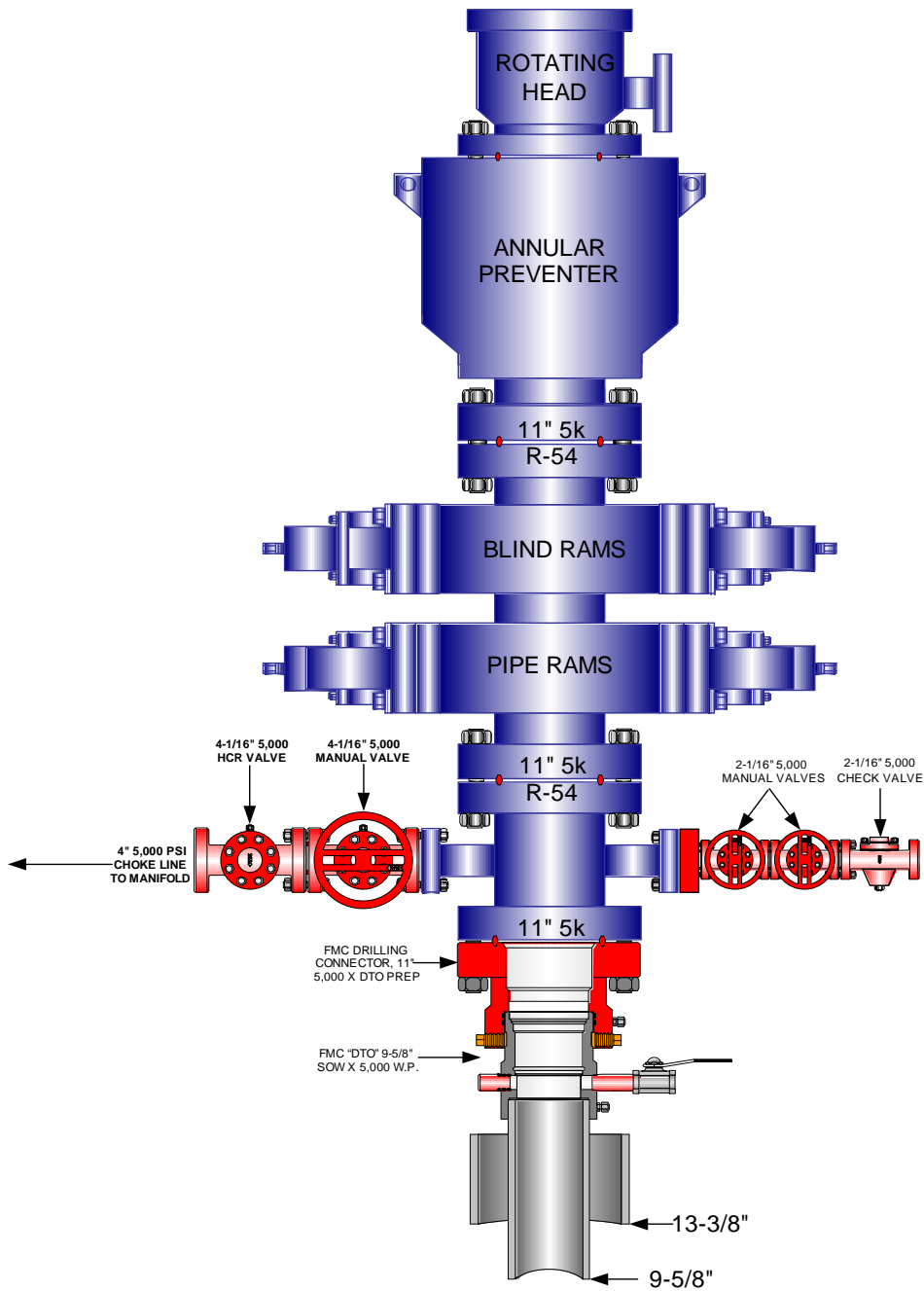
October 27, 2008

Date

\_\_\_\_\_  
Mary A. Maestas, Regulatory Assistant

**EOG RESOURCES 11" 5,000 PSI W.P. BOP  
CONFIGURATION**

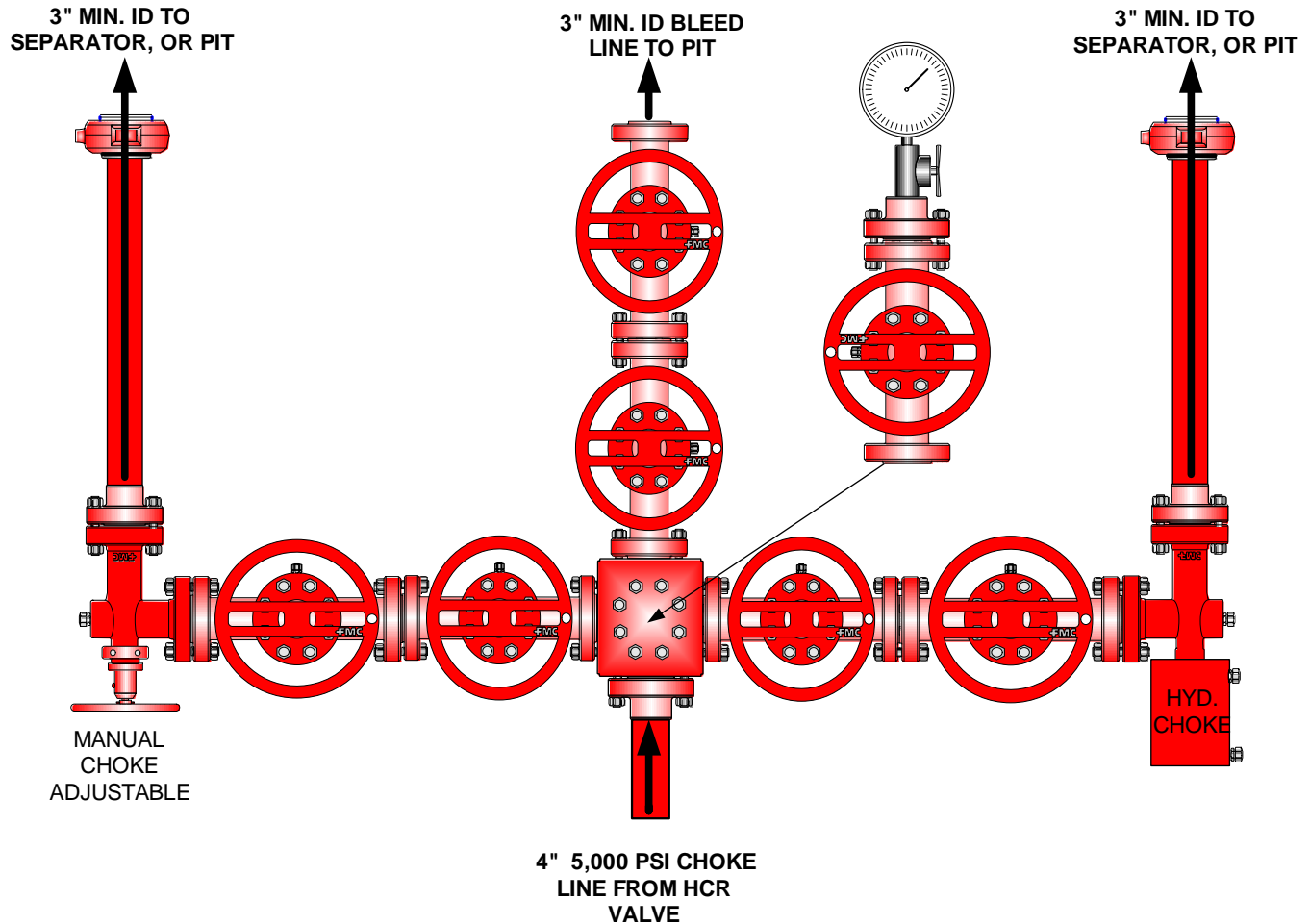
PAGE 1 OF 2





# EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES

PAGE 2 OF 2



## Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.  
Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, **whichever is greater.**
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



API Number: 4304750198

Well Name: East Chapita 86-03

Township 09.0 S Range 23.0 E Section 3

Meridian: SLBM

Operator: EOG RESOURCES, INC.

Map Prepared:  
Map Produced by Diana Mason

Units

STATUS

ACTIVE

EXPLORATORY

GAS STORAGE

NF PP OIL

NF SECONDARY

PI OIL

PP GAS

PP GEOTHERML

PP OIL

SECONDARY

TERMINATED

Fields

STATUS

ACTIVE

COMBINED

Sections

Township

Wells Query Events

<Null>

APD

DRL

GI

GS

LA

NEW

OPS

PA

PGW

POW

RET

SGW

SOW

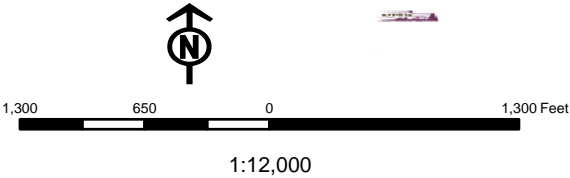
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# WORKSHEET

## APPLICATION FOR PERMIT TO DRILL

**APD RECEIVED:** 10/27/2008

**WELL NAME:** East Chapita 86-03

**OPERATOR:** EOG Resources, Inc. (N9550)

**CONTACT:** Mary Maestas

**PROPOSED LOCATION:** SWNW 3 090S 230E

**SURFACE:** 2063 FNL 0818 FWL

**BOTTOM:** 2063 FNL 0818 FWL

**COUNTY:** UINTAH

**LATITUDE:** 40.06633

**UTM SURF EASTINGS:** 643360.00

**FIELD NAME:** NATURAL BUTTES

**LEASE TYPE:** 1 - Federal

**LEASE NUMBER:** UTU01304

**SURFACE OWNER:** 1 - Federal

**API NO. ASSIGNED:** 43047501980000

**PHONE NUMBER:** 303 824-5526

**Permit Tech Review:** ☒

**Engineering Review:** ☐

**Geology Review:** ☒

**LONGITUDE:** -109.31898

**NORTHINGS:** 4436263.00

**PROPOSED FORMATION:** PRRV

**COALBED METHANE:** NO

### RECEIVED AND/OR REVIEWED:

- ☒ **PLAT**
- ☒ **Bond:** FEDERAL - NM2308
- ☐ **Potash**
- ☐ **Oil Shale 190-5**
- ☐ **Oil Shale 190-3**
- ☐ **Oil Shale 190-13**
- ☒ **Water Permit:** 49-225
- ☐ **RDCC Review:**
- ☐ **Fee Surface Agreement**
- ☐ **Intent to Commingle**

### LOCATION AND SITING:

- ☐ **R649-2-3.**
- Unit:**
- ☐ **R649-3-2. General**
- ☐ **R649-3-3. Exception**
- ☒ **Drilling Unit**
- Board Cause No:** Cause 179-15
- Effective Date:** 7/17/2008
- Siting:** 460' fr ext. lease boundary
- ☐ **R649-3-11. Directional Drill**

**Comments:** Presite Completed

**Stipulations:** 4 - Federal Approval - dmason



JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

## State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

Division of Oil, Gas and Mining

JOHN R. BAZA  
*Division Director*

### Permit To Drill

\*\*\*\*\*

**Well Name:** East Chapita 86-03  
**API Well Number:** 43047501980000  
**Lease Number:** UTU01304  
**Surface Owner:** FEDERAL  
**Approval Date:** 11/25/2008

**Issued to:**

EOG Resources, Inc., 600 17th Street, Suite 1000 N, Denver, CO 80202

**Authority:**

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 179-15 .

**Duration:**

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

**General:**

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

**Conditions of Approval:**

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

**Notification Requirements:**

Notify the Division with 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

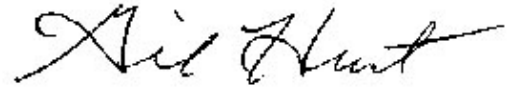
Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

**Reporting Requirements:**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

**Approved By:**

A handwritten signature in black ink, appearing to read "Gil Hunt". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Gil Hunt  
Associate Director, Oil & Gas

RECEIVED

OCT 27 2008

FORM APPROVED  
OMB No. 1004-0136  
Expires July 31, 2010

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

BLM

APPLICATION FOR PERMIT TO DRILL OR REENTER

|  |   |  |  |
|--|---|--|--|
| 1a. Type of Work: <input type="checkbox"/> DRILL <input type="checkbox"/> REENTER  |   | 5. Lease Serial No.<br>UTU01304  |  |
| 1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone                         |   | 6. If Indian, Allottee or Tribe Name   |  |
| 2. Name of Operator<br>EOG RESOURCES INC   |   | 7. If Unit or CA Agreement, Name and No.   |  |
| Contact: MARY A. MAESTAS<br>E-Mail: mary_maestas@eogresources.com  |   | 8. Lease Name and Well No.<br>EAST CHAPITA 86-03                                       |  |
| 3a. Address<br>1060 EAST HIGHWAY 40<br>VERNAL, UT 84078  | 3b. Phone No. (include area code)<br>Ph: 303-824-5526 | 9. API Well No.<br>43-047-50198  |  |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *)<br>At surface SWNW 2063FNL 818FWL 40.06632 N Lat, 109.31970 W Lon<br>At proposed prod. zone SWNW 2063FNL 818FWL 40.06632 N Lat, 109.31970 W Lon |   | 10. Field and Pool, or Exploratory<br>NATURAL BUTTES                                   |  |
| 14. Distance in miles and direction from nearest town or post office*<br>57.8 MILES SOUTH OF VERNAL, UT  |   | 11. Sec., T., R., M., or Blk. and Survey or Area<br>Sec 3 T9S R23E Mer SLB<br>SME: BLM | 12. County or Parish<br>UINTAH         |
| 15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)<br>818' LEASE LINE, 502' DRILLING UNIT LINE   |   | 16. No. of Acres in Lease<br>2451.31   | 13. State<br>UT                        |
| 18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.<br>1350'   |   | 17. Spacing Unit dedicated to this well<br>40.00                                       | 20. BLM/BIA Bond No. on file<br>NM2308 |
| 21. Elevations (Show whether DF, KB, RT, GL, etc.)<br>4996 GL  |   | 19. Proposed Depth<br>9380 MD  | 23. Estimated duration<br>45 DAYS      |
| 22. Approximate date work will start   |   | 24. Attachments  |  |

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the authorized officer.

|   |  |                     |
|---|--|---------------------|
| 25. Signature<br>(Electronic Submission)                      | Name (Printed/Typed)<br>MARY A. MAESTAS Ph: 303-824-5526 | Date<br>10/27/2008  |
| Title<br>REGULATORY ASSISTANT                                 |  |                     |
| Approved by (Signature)                                       | Name (Printed/Typed)<br>JERRY KERRICK                    | Date<br>AUG 24 2009 |
| Title<br>Assistant Field Manager<br>Lands & Mineral Resources | Office<br>VERNAL FIELD OFFICE                            |                     |

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED

SEP 15 2009

Additional Operator Remarks (see next page)

Electronic Submission #64193 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal  
Committed to AFMSS for processing by GAIL JENKINS on 10/28/2008 (09GXJ0558AE)

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*

086XJ6613 AE NDS: 09-26-2008



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4401



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

Company: EOG Resources Inc.  
Well No: East Chapita 86-03  
API No: 43-047-50198

Location: SWNW, Sec.3, T9S R23E  
Lease No: UTU-01304  
Agreement:

**OFFICE NUMBER: (435) 781-4400**

**OFFICE FAX NUMBER: (435) 781-3420**

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit was processed using a 390 CX tied to NEPA approved 03/31/2008. Therefore, this permit is approved for a two (2) year period OR until lease expiration OR the well must be spud by 03/31/2013 (5 years from the NEPA approval date), whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

**NOTIFICATION REQUIREMENTS**

|   |  |
|---|--|
| Location Construction<br>(Notify Environmental Scientist)       | - Forty-Eight (48) hours prior to construction of location and access roads.   |
| Location Completion<br>(Notify Environmental Scientist)         | - Prior to moving on the drilling rig.   |
| Spud Notice<br>(Notify Petroleum Engineer)                      | - Twenty-Four (24) hours prior to spudding the well.   |
| Casing String & Cementing<br>(Notify Supv. Petroleum Tech.)     | - Twenty-Four (24) hours prior to running casing and cementing all casing strings to: <a href="mailto:ut_vn_opreport@blm.gov">ut_vn_opreport@blm.gov</a> . |
| BOP & Related Equipment Tests<br>(Notify Supv. Petroleum Tech.) | - Twenty-Four (24) hours prior to initiating pressure tests.   |
| First Production Notice<br>(Notify Petroleum Engineer)          | - Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.             |

***SURFACE USE PROGRAM  
CONDITIONS OF APPROVAL (COAs)***

- All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horsepower must not emit more than 2 gms of NO<sub>x</sub> per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO<sub>x</sub> per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

**SITE SPECIFIC CONDITIONS OF APPROVAL**

- Prevent fill and stock piles from entering drainages.
- The access road shall be crowned and ditched. Flat-bladed roads are not allowed.
- The authorized officer may prohibit surface disturbing activities during severe winter, wet, or muddy conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.
- If additional erosion occurs during the life of this project, more culverts, low water crossings, berms, wing ditches, or gravel (from a private or commercial source) etc. shall be needed to control the erosion. Low-water crossings and culverts shall be appropriately constructed to avoid sedimentation of drainage ways and other water resources.
- Bury pipelines at all low water crossings.
- Surface pipelines will be placed 5-10 feet outside of the borrow area.
- Surface pipelines will be placed in such a way that they would not wander into the borrow area.
- Pipelines will be buried at all major road and drainage crossings
- The pit liner is to be cut 5 feet below ground surface or at the level of the cuttings, whichever is deeper, and the excess liner material is to be disposed of at an authorized disposal site.



• **DOWNHOLE PROGRAM**  
**CONDITIONS OF APPROVAL (COAs)**

**SITE SPECIFIC DOWNHOLE COAs:**

- Production casing cement shall be brought up and into the surface casing. The minimum cement top is 200 ft above the surface casing shoe.  
COA specification is consistent with operators performance standard stated in APD.
- A variance is granted for Onshore Order #2 Drilling Operations III. E. "Blooie line discharge 100 feet from well bore and securely anchored" Blooie line can be 75 feet.  
All requirements will be adhered to covering air/gas drilling operations as described in Onshore Order #2 III. E. 1. Drilling Operations, Special Drilling Operations, air/gas drilling.
- A Gamma Ray well Log shall be run from the well Total Depth to the surface.  
A copy of the Gamma Ray well Log shall be submitted to the BLM Vernal Field Office.

Onshore Order no. #2 Drilling Operations III. E. 1.

- All requirements will be adhered to covering air/gas drilling operations as described in Onshore Order #2 III. E. 1. Drilling Operations, Special Drilling Operations, air/gas drilling.  
variance(s) to Onshore Order #2 Drilling Operations III. E.
  - requirement for deduster equipment
  - requirement waived for deduster equipment  
Deduster equipment capabilities described by operator as function performed by continuous sprayer water mist
  - automatic igniter or continuous pilot light on the blooie line
  - requirement waived for ignitor and pilot light  
operators blooie line output fluid stream is an incombustible aerated water system  
blooie line fire prevention and suppression function operation achieved thru continuous aerated water  
fluid stream flow
  - compressors located in opposite direction from the blooie line a minimum of 100 feet
- Compressors are truck mounted. Operators standard practice is to rig up with truck mounted compressors oriented ninety degrees to blooie line. Compressors are truck mounted with spark arresters.
- The operator must report encounters of gilsonite and/or tar sand. This is a repetition of a standard COA.
- The operator must notify any active gilsonite operation located within 2 miles of the location 48 hours prior to any surface blasting for this well.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

**DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.

- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to [UT\\_VN\\_Welllogs@BLM.gov](mailto:UT_VN_Welllogs@BLM.gov). This submission will supersede the requirement for submittal of paper logs to the BLM.

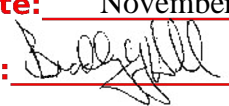
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

## OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4.

Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

|  |   |  |
|--|---|--|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING  |   | <b>FORM 9</b>  |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.   |   | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>UTU01304 |
| <b>1. TYPE OF WELL</b><br>Gas Well   |   | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>               |
| <b>2. NAME OF OPERATOR:</b><br>EOG Resources, Inc.   |   | <b>7. UNIT or CA AGREEMENT NAME:</b>                       |
| <b>3. ADDRESS OF OPERATOR:</b><br>1060 East Highway 40, Vernal, UT, 84078  |   | <b>8. WELL NAME and NUMBER:</b><br>East Chapita 86-03      |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>2063 FNL 0818 FWL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: SWNW Section: 3 Township: 09.0S Range: 23.0E Meridian: S   |   | <b>9. API NUMBER:</b><br>43047501980000                    |
| <b>PHONE NUMBER:</b><br>435 781-9111 Ext   |   | <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES     |
| <b>COUNTY:</b><br>UTAH   |   | <b>STATE:</b><br>UTAH                                      |
| <b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>   |   |  |
| <b>TYPE OF SUBMISSION</b>  | <b>TYPE OF ACTION</b>   |  |
| <input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b><br>Approximate date work will start:<br>11/12/2009<br><br><input type="checkbox"/> <b>SUBSEQUENT REPORT</b><br>Date of Work Completion:<br><br><input type="checkbox"/> <b>SPUD REPORT</b><br>Date of Spud:<br><br><input type="checkbox"/> <b>DRILLING REPORT</b><br>Report Date: | <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE<br/> <input type="checkbox"/> CHANGE TO PREVIOUS PLANS<br/> <input type="checkbox"/> CHANGE WELL STATUS<br/> <input type="checkbox"/> DEEPEN<br/> <input type="checkbox"/> OPERATOR CHANGE<br/> <input type="checkbox"/> PRODUCTION START OR RESUME<br/> <input type="checkbox"/> REPERFORATE CURRENT FORMATION<br/> <input type="checkbox"/> TUBING REPAIR<br/> <input type="checkbox"/> WATER SHUTOFF<br/> <input type="checkbox"/> WILDCAT WELL DETERMINATION         </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING<br/> <input type="checkbox"/> CHANGE TUBING<br/> <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS<br/> <input type="checkbox"/> FRACTURE TREAT<br/> <input type="checkbox"/> PLUG AND ABANDON<br/> <input type="checkbox"/> RECLAMATION OF WELL SITE<br/> <input type="checkbox"/> SIDETRACK TO REPAIR WELL<br/> <input type="checkbox"/> VENT OR FLARE<br/> <input type="checkbox"/> SI TA STATUS EXTENSION<br/> <input type="checkbox"/> OTHER         </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR<br/> <input type="checkbox"/> CHANGE WELL NAME<br/> <input type="checkbox"/> CONVERT WELL TYPE<br/> <input type="checkbox"/> NEW CONSTRUCTION<br/> <input type="checkbox"/> PLUG BACK<br/> <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION<br/> <input type="checkbox"/> TEMPORARY ABANDON<br/> <input type="checkbox"/> WATER DISPOSAL<br/> <input checked="" type="checkbox"/> APD EXTENSION<br/>         OTHER:       </div> </div> |  |
| <b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b><br>EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.   |   |  |
| <b>Approved by the Utah Division of Oil, Gas and Mining</b><br><br><b>Date:</b> November 12, 2009<br><b>By:</b>   |   |  |
| <b>NAME (PLEASE PRINT)</b><br>Mckenzie Gates   |   | <b>PHONE NUMBER</b><br>435 781-9145                        |
| <b>SIGNATURE</b><br>N/A  |   | <b>TITLE</b><br>Operations Clerk                           |
| <b>DATE</b><br>11/12/2009  |   |  |



## The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

### Request for Permit Extension Validation Well Number 43047501980000

**API:** 43047501980000

**Well Name:** East Chapita 86-03

**Location:** 2063 FNL 0818 FWL QTR SWNW SEC 3 TWNP 090S RNG 230E MER S

**Company Permit Issued to:** EOG RESOURCES, INC.

**Date Original Permit Issued:** 11/25/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

**Approved by the  
Utah Division of  
Oil, Gas and Mining**

**Signature:** Mickenzie Gates

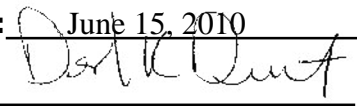
**Date:** 11/12/2009

**Title:** Operations Clerk **Representing:** EOG RESOURCES, INC.

**Date:** November 12, 2009

**By:** 

**RECEIVED** November 12, 2009

|  |  |  |  |   |  |
|--|--|--|--|---|--|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING  |  | <b>FORM 9</b>  |  |   |  |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.   |  | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>UTU01304   |  |   |  |
| <b>1. TYPE OF WELL</b><br>Gas Well   |  | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>   |  |   |  |
| <b>2. NAME OF OPERATOR:</b><br>EOG Resources, Inc.   |  | <b>7. UNIT or CA AGREEMENT NAME:</b>   |  |   |  |
| <b>3. ADDRESS OF OPERATOR:</b><br>1060 East Highway 40, Vernal, UT, 84078  |  | <b>8. WELL NAME and NUMBER:</b><br>East Chapita 86-03  |  |   |  |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>2063 FNL 0818 FWL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: SWNW Section: 3 Township: 09.0S Range: 23.0E Meridian: S   |  | <b>9. API NUMBER:</b><br>43047501980000  |  |   |  |
| <b>PHONE NUMBER:</b><br>435 781-9111 Ext   |  | <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES   |  |   |  |
| <b>COUNTY:</b><br>UTAH   |  | <b>STATE:</b><br>UTAH  |  |   |  |
| <b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>   |  |  |  |   |  |
| <b>TYPE OF SUBMISSION</b>  | <b>TYPE OF ACTION</b>  |  |  |   |  |
| <input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b><br>Approximate date work will start:<br>6/14/2010<br><br><input type="checkbox"/> <b>SUBSEQUENT REPORT</b><br>Date of Work Completion:<br><br><input type="checkbox"/> <b>SPUD REPORT</b><br>Date of Spud:<br><br><input type="checkbox"/> <b>DRILLING REPORT</b><br>Report Date:  | <table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE<br/> <input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS<br/> <input type="checkbox"/> CHANGE WELL STATUS<br/> <input type="checkbox"/> DEEPEN<br/> <input type="checkbox"/> OPERATOR CHANGE<br/> <input type="checkbox"/> PRODUCTION START OR RESUME<br/> <input type="checkbox"/> REPERFORATE CURRENT FORMATION<br/> <input type="checkbox"/> TUBING REPAIR<br/> <input type="checkbox"/> WATER SHUTOFF<br/> <input type="checkbox"/> WILDCAT WELL DETERMINATION         </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING<br/> <input type="checkbox"/> CHANGE TUBING<br/> <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS<br/> <input type="checkbox"/> FRACTURE TREAT<br/> <input type="checkbox"/> PLUG AND ABANDON<br/> <input type="checkbox"/> RECLAMATION OF WELL SITE<br/> <input type="checkbox"/> SIDETRACK TO REPAIR WELL<br/> <input type="checkbox"/> VENT OR FLARE<br/> <input type="checkbox"/> SI TA STATUS EXTENSION<br/> <input type="checkbox"/> OTHER         </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR<br/> <input type="checkbox"/> CHANGE WELL NAME<br/> <input type="checkbox"/> CONVERT WELL TYPE<br/> <input type="checkbox"/> NEW CONSTRUCTION<br/> <input type="checkbox"/> PLUG BACK<br/> <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION<br/> <input type="checkbox"/> TEMPORARY ABANDON<br/> <input type="checkbox"/> WATER DISPOSAL<br/> <input type="checkbox"/> APD EXTENSION<br/>           OTHER:         </td> </tr> </table> |  | <input type="checkbox"/> ACIDIZE<br><input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS<br><input type="checkbox"/> CHANGE WELL STATUS<br><input type="checkbox"/> DEEPEN<br><input type="checkbox"/> OPERATOR CHANGE<br><input type="checkbox"/> PRODUCTION START OR RESUME<br><input type="checkbox"/> REPERFORATE CURRENT FORMATION<br><input type="checkbox"/> TUBING REPAIR<br><input type="checkbox"/> WATER SHUTOFF<br><input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> ALTER CASING<br><input type="checkbox"/> CHANGE TUBING<br><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS<br><input type="checkbox"/> FRACTURE TREAT<br><input type="checkbox"/> PLUG AND ABANDON<br><input type="checkbox"/> RECLAMATION OF WELL SITE<br><input type="checkbox"/> SIDETRACK TO REPAIR WELL<br><input type="checkbox"/> VENT OR FLARE<br><input type="checkbox"/> SI TA STATUS EXTENSION<br><input type="checkbox"/> OTHER | <input type="checkbox"/> CASING REPAIR<br><input type="checkbox"/> CHANGE WELL NAME<br><input type="checkbox"/> CONVERT WELL TYPE<br><input type="checkbox"/> NEW CONSTRUCTION<br><input type="checkbox"/> PLUG BACK<br><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION<br><input type="checkbox"/> TEMPORARY ABANDON<br><input type="checkbox"/> WATER DISPOSAL<br><input type="checkbox"/> APD EXTENSION<br>OTHER: |
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| <b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b><br>EOG Resources, Inc. respectfully requests authorization to change the Drilling Plan as per the attached. Conductor size: Item 4 Float Equipment: Item 5 Logs: Item 8 Please see the attached revised Drilling Plan reflecting the purposed changes.   |  |  |  |   |  |
| <b>Accepted by the Utah Division of Oil, Gas and Mining</b>  |  | <b>Date:</b> June 15, 2010<br><b>By:</b>    |  |   |  |
| <b>NAME (PLEASE PRINT)</b><br>Mickenzie Gates  |  | <b>PHONE NUMBER</b><br>435 781-9145  |  |   |  |
| <b>SIGNATURE</b><br>N/A  |  | <b>TITLE</b><br>Operations Clerk   |  |   |  |
| <b>DATE</b><br>6/14/2010   |  |  |  |   |  |



**EIGHT POINT PLAN**

**EAST CHAPITA 86-03**

**SW/NW, SEC. 3, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:**

| <b>FORMATION</b>       | <b>TVD-RKB (ft)</b> | <b>Objective</b> | <b>Lithology</b> |     |
|------------------------|---------------------|------------------|------------------|-----|
| Green River            | 1,988               |                  | Shale            |     |
| Mahogany Oil Bed Shale | 2,636               |                  | Shale            |     |
| Wasatch                | 4,861               | Primary          | Sandstone        | Gas |
| Chapita Wells          | 5,454               | Primary          | Sandstone        | Gas |
| Buck Canyon            | 6,115               | Primary          | Sandstone        | Gas |
| North Horn             | 6,665               | Primary          | Sandstone        | Gas |
| KMV Price River        | 7,122               | Primary          | Sandstone        | Gas |
| KMV Price River Middle | 7,834               | Primary          | Sandstone        | Gas |
| KMV Price River Lower  | 8,626               | Primary          | Sandstone        | Gas |
| Sego                   | 9,176               |                  | Sandstone        |     |
| <b>TD</b>              | <b>9,380</b>        |                  |                  |     |

Estimated TD: **9,380' or 200'± below TD**

**Anticipated BHP: 5,122 Psig**

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

**4. CASING PROGRAM:**

| <b><u>CASING</u></b> | <b><u>Hole Size</u></b> | <b><u>Length</u></b>            | <b><u>Size</u></b> | <b><u>WEIGHT</u></b> | <b><u>Grade</u></b> | <b><u>Thread</u></b> | <b><u>Rating Collapse</u></b> | <b><u>Factor Burst</u></b> | <b><u>Tensile</u></b> |
|----------------------|-------------------------|---------------------------------|--------------------|----------------------|---------------------|----------------------|-------------------------------|----------------------------|-----------------------|
| <b>Conductor</b>     | <b>20"</b>              | <b>40 - 60'</b>                 | <b>14"</b>         | <b>32.5#</b>         | <b>A252</b>         | <b>STC</b>           |                               | <b>1880 PSI</b>            | <b>10,000#</b>        |
| <b>Surface</b>       | <b>12 1/4"</b>          | <b>0 – 2,300'</b><br><b>KB±</b> | <b>9-5/8"</b>      | <b>36.0#</b>         | <b>J-55</b>         | <b>STC</b>           | <b>2020 PSI</b>               | <b>3520 Psi</b>            | <b>394,000#</b>       |
| <b>Production</b>    | <b>7-7/8"</b>           | <b>Surface – TD</b>             | <b>4-1/2"</b>      | <b>11.6#</b>         | <b>N-80</b>         | <b>LTC</b>           | <b>6350 PSI</b>               | <b>7780 Psi</b>            | <b>223,000#</b>       |
|                      |                         |                                 |                    |                      |                     |                      |                               |                            |                       |

**Note:** 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

**All casing will be new or inspected.**

**EIGHT POINT PLAN**

**EAST CHAPITA 86-03**

**SW/NW, SEC. 3, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**5. Float Equipment:**

**Surface Hole Procedure (0' - 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

**Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 3rd joint to 400' above the top of primary object. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

**Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):** Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

**2300'± - TD** A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

**EIGHT POINT PLAN**

**EAST CHAPITA 86-03**

**SW/NW, SEC. 3, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**7. VARIANCE REQUESTS:**

**Reference:**     **Onshore Oil and Gas Order No. 1**  
                         **Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations**

- EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, requiring during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by waster mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

**8. EVALUATION PROGRAM:**

**Logs:**                     Mud log from base of surface casing to TD.  
**Cased-hole Logs:**     Cased-hole logs will be run in lieu of open-hole logs consisting of the following:  
                                 **CBL/CCL/VDL/GR**

**EIGHT POINT PLAN**

**EAST CHAPITA 86-03**

**SW/NW, SEC. 3, T9S, R23E, S.L.B.&M.,**  
**UINTAH COUNTY, UTAH**

**9. CEMENT PROGRAM:**

**Surface Hole Procedure (Surface - 2300'±):**

**Lead:**     **185 sks** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:**     **207 sks** Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:**     Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

**Production Hole Procedure (2300'± - TD)**

**Lead:**     **143 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:**     **882 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:**     The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

**EIGHT POINT PLAN**

**EAST CHAPITA 86-03**

**SW/NW, SEC. 3, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

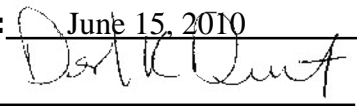
**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

**13. Air Drilling Operations:**

- 1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
- 4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
- 5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
- 6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

**(Attachment: BOP Schematic Diagram)**

|  |  |  |  |   |  |
|--|--|--|--|---|--|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING  |  | <b>FORM 9</b>  |  |   |  |
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| <b>1. TYPE OF WELL</b><br>Gas Well   |  | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>   |  |   |  |
| <b>2. NAME OF OPERATOR:</b><br>EOG Resources, Inc.   |  | <b>7. UNIT or CA AGREEMENT NAME:</b>   |  |   |  |
| <b>3. ADDRESS OF OPERATOR:</b><br>1060 East Highway 40, Vernal, UT, 84078  |  | <b>8. WELL NAME and NUMBER:</b><br>East Chapita 86-03  |  |   |  |
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| <b>PHONE NUMBER:</b><br>435 781-9111 Ext   |  | <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES   |  |   |  |
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| <b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>   |  |  |  |   |  |
| <b>TYPE OF SUBMISSION</b>  | <b>TYPE OF ACTION</b>  |  |  |   |  |
| <input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b><br>Approximate date work will start:<br>6/14/2010<br><br><input type="checkbox"/> <b>SUBSEQUENT REPORT</b><br>Date of Work Completion:<br><br><input type="checkbox"/> <b>SPUD REPORT</b><br>Date of Spud:<br><br><input type="checkbox"/> <b>DRILLING REPORT</b><br>Report Date:  | <table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE<br/> <input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS<br/> <input type="checkbox"/> CHANGE WELL STATUS<br/> <input type="checkbox"/> DEEPEN<br/> <input type="checkbox"/> OPERATOR CHANGE<br/> <input type="checkbox"/> PRODUCTION START OR RESUME<br/> <input type="checkbox"/> REPERFORATE CURRENT FORMATION<br/> <input type="checkbox"/> TUBING REPAIR<br/> <input type="checkbox"/> WATER SHUTOFF<br/> <input type="checkbox"/> WILDCAT WELL DETERMINATION         </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING<br/> <input type="checkbox"/> CHANGE TUBING<br/> <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS<br/> <input type="checkbox"/> FRACTURE TREAT<br/> <input type="checkbox"/> PLUG AND ABANDON<br/> <input type="checkbox"/> RECLAMATION OF WELL SITE<br/> <input type="checkbox"/> SIDETRACK TO REPAIR WELL<br/> <input type="checkbox"/> VENT OR FLARE<br/> <input type="checkbox"/> SI TA STATUS EXTENSION<br/> <input type="checkbox"/> OTHER         </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR<br/> <input type="checkbox"/> CHANGE WELL NAME<br/> <input type="checkbox"/> CONVERT WELL TYPE<br/> <input type="checkbox"/> NEW CONSTRUCTION<br/> <input type="checkbox"/> PLUG BACK<br/> <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION<br/> <input type="checkbox"/> TEMPORARY ABANDON<br/> <input type="checkbox"/> WATER DISPOSAL<br/> <input type="checkbox"/> APD EXTENSION<br/>           OTHER:         </td> </tr> </table> |  | <input type="checkbox"/> ACIDIZE<br><input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS<br><input type="checkbox"/> CHANGE WELL STATUS<br><input type="checkbox"/> DEEPEN<br><input type="checkbox"/> OPERATOR CHANGE<br><input type="checkbox"/> PRODUCTION START OR RESUME<br><input type="checkbox"/> REPERFORATE CURRENT FORMATION<br><input type="checkbox"/> TUBING REPAIR<br><input type="checkbox"/> WATER SHUTOFF<br><input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> ALTER CASING<br><input type="checkbox"/> CHANGE TUBING<br><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS<br><input type="checkbox"/> FRACTURE TREAT<br><input type="checkbox"/> PLUG AND ABANDON<br><input type="checkbox"/> RECLAMATION OF WELL SITE<br><input type="checkbox"/> SIDETRACK TO REPAIR WELL<br><input type="checkbox"/> VENT OR FLARE<br><input type="checkbox"/> SI TA STATUS EXTENSION<br><input type="checkbox"/> OTHER | <input type="checkbox"/> CASING REPAIR<br><input type="checkbox"/> CHANGE WELL NAME<br><input type="checkbox"/> CONVERT WELL TYPE<br><input type="checkbox"/> NEW CONSTRUCTION<br><input type="checkbox"/> PLUG BACK<br><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION<br><input type="checkbox"/> TEMPORARY ABANDON<br><input type="checkbox"/> WATER DISPOSAL<br><input type="checkbox"/> APD EXTENSION<br>OTHER: |
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| <b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b><br>EOG Resources, Inc. respectfully requests authorization to change the Drilling Plan as per the attached. Conductor size: Item 4 Float Equipment: Item 5 Logs: Item 8 Please see the attached revised Drilling Plan reflecting the purposed changes.   |  |  |  |   |  |
| <div style="text-align: right;"> <b>Accepted by the<br/>Utah Division of<br/>Oil, Gas and Mining</b> </div>  |  | <b>Date:</b> June 15, 2010<br><b>By:</b>    |  |   |  |
| <b>NAME (PLEASE PRINT)</b><br>Mickenzie Gates  |  | <b>PHONE NUMBER</b><br>435 781-9145  |  |   |  |
| <b>SIGNATURE</b><br>N/A  |  | <b>TITLE</b><br>Operations Clerk   |  |   |  |
| <b>DATE</b><br>6/14/2010   |  |  |  |   |  |

**EIGHT POINT PLAN**

**EAST CHAPITA 86-03**

**SW/NW, SEC. 3, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:**

| <b>FORMATION</b>       | <b>TVD-RKB (ft)</b> | <b>Objective</b> | <b>Lithology</b> |     |
|------------------------|---------------------|------------------|------------------|-----|
| Green River            | 1,988               |                  | Shale            |     |
| Mahogany Oil Bed Shale | 2,636               |                  | Shale            |     |
| Wasatch                | 4,861               | Primary          | Sandstone        | Gas |
| Chapita Wells          | 5,454               | Primary          | Sandstone        | Gas |
| Buck Canyon            | 6,115               | Primary          | Sandstone        | Gas |
| North Horn             | 6,665               | Primary          | Sandstone        | Gas |
| KMV Price River        | 7,122               | Primary          | Sandstone        | Gas |
| KMV Price River Middle | 7,834               | Primary          | Sandstone        | Gas |
| KMV Price River Lower  | 8,626               | Primary          | Sandstone        | Gas |
| Sego                   | 9,176               |                  | Sandstone        |     |
| <b>TD</b>              | <b>9,380</b>        |                  |                  |     |

Estimated TD: **9,380' or 200'± below TD**

**Anticipated BHP: 5,122 Psig**

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
BOP schematic diagrams attached.

**4. CASING PROGRAM:**

| <b><u>CASING</u></b> | <b><u>Hole Size</u></b> | <b><u>Length</u></b>            | <b><u>Size</u></b> | <b><u>WEIGHT</u></b> | <b><u>Grade</u></b> | <b><u>Thread</u></b> | <b><u>Rating Collapse</u></b> | <b><u>Factor Burst</u></b> | <b><u>Tensile</u></b> |
|----------------------|-------------------------|---------------------------------|--------------------|----------------------|---------------------|----------------------|-------------------------------|----------------------------|-----------------------|
| <b>Conductor</b>     | <b>20"</b>              | <b>40 - 60'</b>                 | <b>14"</b>         | <b>32.5#</b>         | <b>A252</b>         | <b>STC</b>           |                               | <b>1880 PSI</b>            | <b>10,000#</b>        |
| <b>Surface</b>       | <b>12 1/4"</b>          | <b>0 – 2,300'</b><br><b>KB±</b> | <b>9-5/8"</b>      | <b>36.0#</b>         | <b>J-55</b>         | <b>STC</b>           | <b>2020 PSI</b>               | <b>3520 Psi</b>            | <b>394,000#</b>       |
| <b>Production</b>    | <b>7-7/8"</b>           | <b>Surface – TD</b>             | <b>4-1/2"</b>      | <b>11.6#</b>         | <b>N-80</b>         | <b>LTC</b>           | <b>6350 PSI</b>               | <b>7780 Psi</b>            | <b>223,000#</b>       |
|                      |                         |                                 |                    |                      |                     |                      |                               |                            |                       |

**Note:** 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

**All casing will be new or inspected.**

**EIGHT POINT PLAN**

**EAST CHAPITA 86-03**

**SW/NW, SEC. 3, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**5. Float Equipment:**

**Surface Hole Procedure (0' - 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5<sup>th</sup> joint to surface. (15 total)

**Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 3rd joint to 400' above the top of primary object. Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

**Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):** Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

**2300'± - TD** A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.



**EIGHT POINT PLAN**

**EAST CHAPITA 86-03**

**SW/NW, SEC. 3, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**7. VARIANCE REQUESTS:**

**Reference:**     **Onshore Oil and Gas Order No. 1**  
                         **Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations**

- EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, requiring during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by waster mist.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

**8. EVALUATION PROGRAM:**

**Logs:**                     Mud log from base of surface casing to TD.  
**Cased-hole Logs:**     Cased-hole logs will be run in lieu of open-hole logs consisting of the following:  
                                 **CBL/CCL/VDL/GR**

**EIGHT POINT PLAN**

**EAST CHAPITA 86-03**

**SW/NW, SEC. 3, T9S, R23E, S.L.B.&M.,**  
**UINTAH COUNTY, UTAH**

**9. CEMENT PROGRAM:**

**Surface Hole Procedure (Surface - 2300'±):**

**Lead:**     **185 sks** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:**     **207 sks** Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Note:**     Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

**Production Hole Procedure (2300'± - TD)**

**Lead:**     **143 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail:**     **882 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

**Note:**     The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

**Final Cement volumes will be based upon gauge-hole plus 45% excess.**

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

**EIGHT POINT PLAN**

**EAST CHAPITA 86-03**

**SW/NW, SEC. 3, T9S, R23E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**11. STANDARD REQUIRED EQUIPMENT:**

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

**13. Air Drilling Operations:**

- 1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 3. Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
- 4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
- 5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
- 6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

**(Attachment: BOP Schematic Diagram)**

## DIVISION OF OIL, GAS AND MINING

### **SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: EAST CHAPITA 86-03

Api No: 43-047-50198 Lease Type: FEDERAL

Section 03 Township 09S Range 23E County UINTAH

Drilling Contractor CRAIG'S ROUTABOUT SERV RIG # BUCKET

### **SPUDDED:**

Date 06/18/2010

Time 11:00 AM

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by KENT DAVENPORT

Telephone # (435) 828-8200

Date 06/21/2010 Signed CHD

|  |  |  |
|--|--|--|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING  |  | <b>FORM 9</b>  |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. |  | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>UTU01304 |
| <b>1. TYPE OF WELL</b><br>Gas Well   |  | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>               |
| <b>2. NAME OF OPERATOR:</b><br>EOG Resources, Inc.   |  | <b>7. UNIT or CA AGREEMENT NAME:</b>                       |
| <b>3. ADDRESS OF OPERATOR:</b><br>1060 East Highway 40 , Vernal, UT, 84078   |  | <b>8. WELL NAME and NUMBER:</b><br>East Chapita 86-03      |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>2063 FNL 0818 FWL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: SWNW Section: 3 Township: 09.0S Range: 23.0E Meridian: S   |  | <b>9. API NUMBER:</b><br>43047501980000                    |
| <b>PHONE NUMBER:</b><br>435 781-9111 Ext   |  | <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES     |
| <b>COUNTY:</b><br>UTAH   |  | <b>STATE:</b><br>UTAH                                      |
| <b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>   |  |  |
| <b>TYPE OF SUBMISSION</b>  | <b>TYPE OF ACTION</b>  |  |
| <input type="checkbox"/> <b>NOTICE OF INTENT</b><br>Approximate date work will start:  | <input type="checkbox"/> <b>ACIDIZE</b>                        |  |
| <input type="checkbox"/> <b>SUBSEQUENT REPORT</b><br>Date of Work Completion:  | <input type="checkbox"/> <b>ALTER CASING</b>                   |  |
| <input checked="" type="checkbox"/> <b>SPUD REPORT</b><br>Date of Spud:<br>6/18/2010   | <input type="checkbox"/> <b>CASING REPAIR</b>                  |  |
| <input type="checkbox"/> <b>DRILLING REPORT</b><br>Report Date:  | <input type="checkbox"/> <b>CHANGE TO PREVIOUS PLANS</b>       |  |
|  | <input type="checkbox"/> <b>CHANGE TUBING</b>                  |  |
|  | <input type="checkbox"/> <b>CHANGE WELL STATUS</b>             |  |
|  | <input type="checkbox"/> <b>COMMINGLE PRODUCING FORMATIONS</b> |  |
|  | <input type="checkbox"/> <b>DEEPEN</b>                         |  |
|  | <input type="checkbox"/> <b>FRACTURE TREAT</b>                 |  |
|  | <input type="checkbox"/> <b>OPERATOR CHANGE</b>                |  |
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|  | <input type="checkbox"/> <b>SI TA STATUS EXTENSION</b>         |  |
|  | <input type="checkbox"/> <b>WILDCAT WELL DETERMINATION</b>     |  |
|  | <input type="checkbox"/> <b>OTHER:</b>                         |  |
| <b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b><br>The referenced well was spud on June 18, 2010.  |  |  |
| Accepted by the<br>Utah Division of<br>Oil, Gas and Mining<br><b>FOR RECORD ONLY</b><br>June 24, 2010  |  |  |
| <b>NAME (PLEASE PRINT)</b><br>Michelle Robles  | <b>PHONE NUMBER</b><br>307 276-4842                            | <b>TITLE</b><br>Regulatory Assistant                       |
| <b>SIGNATURE</b><br>N/A  | <b>DATE</b><br>6/22/2010                                       |  |



|  |  |  |
|--|--|--|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING  |  | <b>FORM 9</b>  |
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| <input checked="" type="checkbox"/> <b>DRILLING REPORT</b><br>Report Date:<br>7/1/2010   | <input type="checkbox"/> <b>CHANGE TO PREVIOUS PLANS</b>       |  |
|  | <input type="checkbox"/> <b>CHANGE TUBING</b>                  |  |
|  | <input type="checkbox"/> <b>CHANGE WELL STATUS</b>             |  |
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|  | <input type="checkbox"/> <b>OTHER</b>                          |  |
|  | OTHER:   |  |
| <b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b><br><br>No activity has occurred since spud on 6/18/2010. Drilling operations are scheduled to begin on or about 7/19/2010.   |  |  |
| <b>Accepted by the</b><br><b>Utah Division of</b><br><b>Oil, Gas and Mining</b><br><b>FOR RECORD ONLY</b><br>July 01, 2010   |  |  |
| <b>NAME (PLEASE PRINT)</b><br>Michelle Robles  | <b>PHONE NUMBER</b><br>307 276-4842                            | <b>TITLE</b><br>Regulatory Assistant                       |
| <b>SIGNATURE</b><br>N/A  | <b>DATE</b><br>7/1/2010  |  |

# WELL CHRONOLOGY REPORT

Report Generated On: 07-01-2010

|                      |  |                  |              |                      |        |
|----------------------|--|------------------|--------------|----------------------|--------|
| <b>Well Name</b>     | ECW 086-03                                     | <b>Well Type</b> | DEVG         | <b>Division</b>      | DENVER |
| <b>Field</b>         | CHAPITA DEEP                                   | <b>API #</b>     | 43-047-50198 | <b>Well Class</b>    | DRIL   |
| <b>County, State</b> | UINTAH, UT                                     | <b>Spud Date</b> |              | <b>Class Date</b>    |        |
| <b>Tax Credit</b>    | N  | <b>TVD / MD</b>  | 9,380/ 9,380 | <b>Property #</b>    | 063931 |
| <b>Water Depth</b>   | 0  | <b>Last CSG</b>  | 14.0         | <b>Shoe TVD / MD</b> | 60/ 60 |
| <b>KB / GL Elev</b>  | 5,009/ 4,987                                   |                  |              |                      |        |
| <b>Location</b>      | SECTION 3, T9S, R23E, SWNW, 2063 FNL & 818 FWL |                  |              |                      |        |

|                 |                    |                    |                  |              |       |
|-----------------|--------------------|--------------------|------------------|--------------|-------|
| <b>Event No</b> | 1.0                | <b>Description</b> | DRILL & COMPLETE |              |       |
| <b>Operator</b> | EOG RESOURCES, INC | <b>WI %</b>        | 100.0            | <b>NRI %</b> | 84.75 |

|                              |                    |                   |               |                        |                  |
|------------------------------|--------------------|-------------------|---------------|------------------------|------------------|
| <b>AFE No</b>                | 306589             | <b>AFE Total</b>  | 1,518,900     | <b>DHC / CWC</b>       | 601,600/ 917,300 |
| <b>Rig Contr</b>             | TRUE               | <b>Rig Name</b>   | TRUE #34      | <b>Start Date</b>      | 11-18-2008       |
| <b>11-18-2008</b>            | <b>Reported By</b> | SHEILA MALLOY     |               |                        |                  |
| <b>Daily Costs: Drilling</b> | \$0                | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$0              |
| <b>Cum Costs: Drilling</b>   | \$0                | <b>Completion</b> | \$0           | <b>Well Total</b>      | \$0              |
| <b>MD</b>                    | 0                  | <b>TVD</b>        | 0             | <b>Progress</b>        | 0                |
| <b>Days</b>                  | 0                  | <b>MW</b>         | 0.0           | <b>Visc</b>            | 0.0              |
| <b>Formation :</b>           | <b>PBTD : 0.0</b>  |                   | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |                  |

Activity at Report Time: LOCATION DATA

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | LOCATION DATA   |
|       |       |      | 2063' FNL & 818' FWL (SW/NW)  |
|       |       |      | SECTION 3, T9S, R23E  |
|       |       |      | UINTAH COUNTY, UTAH   |
|       |       |      | LAT 40.066317, LONG 109.319697 (NAD 83)   |
|       |       |      | LAT 40.066350, LONG 109.319019 (NAD 27)   |
|       |       |      | TRUE #34  |
|       |       |      | OBJECTIVE: 9380' TD, MESAVERDE  |
|       |       |      | DW/GAS  |
|       |       |      | EAST CHAPITA PROSPECT   |
|       |       |      | DD&A: CHAPITA DEEP  |
|       |       |      | NATURAL BUTTES FIELD  |
|       |       |      | LEASE: U-01304  |
|       |       |      | ELEVATION: 4996.4' NAT GL, 4987.4' PREP GL (DUE TO ROUNDING PREP GL WILL BE 4987') 5006' KB (19') |
|       |       |      | EOG BPO WI 100%, NRI 84.75% Updated by TAR dated 6/8/10 SKC                                       |

06-14-2010      Reported By      TERRY CSERE

**RECEIVED** July 01, 2010

|                             |                   |                   |               |                        |          |
|-----------------------------|-------------------|-------------------|---------------|------------------------|----------|
| <b>DailyCosts: Drilling</b> | \$75,000          | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$75,000 |
| <b>Cum Costs: Drilling</b>  | \$75,000          | <b>Completion</b> | \$0           | <b>Well Total</b>      | \$75,000 |
| <b>MD</b>                   | 0                 | <b>TVD</b>        | 0             | <b>Progress</b>        | 0        |
| <b>Days</b>                 | 0                 | <b>MW</b>         | 0.0           | <b>Visc</b>            | 0.0      |
| <b>Formation :</b>          | <b>PBTD : 0.0</b> |                   | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |          |

Activity at Report Time: BUILD LOCATION

| Start | End   | Hrs  | Activity Description              |
|-------|-------|------|-----------------------------------|
| 06:00 | 06:00 | 24.0 | LOCATION STARTED TODAY 6/14/2010. |

06-15-2010 Reported By TERRY CSERE

|                             |                   |                   |               |                        |          |
|-----------------------------|-------------------|-------------------|---------------|------------------------|----------|
| <b>DailyCosts: Drilling</b> | \$0               | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$0      |
| <b>Cum Costs: Drilling</b>  | \$75,000          | <b>Completion</b> | \$0           | <b>Well Total</b>      | \$75,000 |
| <b>MD</b>                   | 0                 | <b>TVD</b>        | 0             | <b>Progress</b>        | 0        |
| <b>Days</b>                 | 0                 | <b>MW</b>         | 0.0           | <b>Visc</b>            | 0.0      |
| <b>Formation :</b>          | <b>PBTD : 0.0</b> |                   | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |          |

Activity at Report Time: BUILD LOCATION

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|------------------------|
| 06:00 | 06:00 | 24.0 | LOCATION 40% COMPLETE. |

06-16-2010 Reported By ROBERT WILKINS

|                             |                   |                   |               |                        |          |
|-----------------------------|-------------------|-------------------|---------------|------------------------|----------|
| <b>DailyCosts: Drilling</b> | \$0               | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$0      |
| <b>Cum Costs: Drilling</b>  | \$75,000          | <b>Completion</b> | \$0           | <b>Well Total</b>      | \$75,000 |
| <b>MD</b>                   | 0                 | <b>TVD</b>        | 0             | <b>Progress</b>        | 0        |
| <b>Days</b>                 | 0                 | <b>MW</b>         | 0.0           | <b>Visc</b>            | 0.0      |
| <b>Formation :</b>          | <b>PBTD : 0.0</b> |                   | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |          |

Activity at Report Time: BUILD LOCATION

| Start | End   | Hrs  | Activity Description |
|-------|-------|------|----------------------|
| 06:00 | 06:00 | 24.0 | LOCATION & ROAD 50%. |

06-17-2010 Reported By TERRY CSERE

|                             |                   |                   |               |                        |          |
|-----------------------------|-------------------|-------------------|---------------|------------------------|----------|
| <b>DailyCosts: Drilling</b> | \$0               | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$0      |
| <b>Cum Costs: Drilling</b>  | \$75,000          | <b>Completion</b> | \$0           | <b>Well Total</b>      | \$75,000 |
| <b>MD</b>                   | 0                 | <b>TVD</b>        | 0             | <b>Progress</b>        | 0        |
| <b>Days</b>                 | 0                 | <b>MW</b>         | 0.0           | <b>Visc</b>            | 0.0      |
| <b>Formation :</b>          | <b>PBTD : 0.0</b> |                   | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |          |

Activity at Report Time: BUILD LOCATION

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|------------------------|
| 06:00 | 06:00 | 24.0 | LOCATION 60% COMPLETE. |

06-18-2010 Reported By TERRY CSERE/KENT DEVENPORT

|                             |                   |                   |               |                        |          |
|-----------------------------|-------------------|-------------------|---------------|------------------------|----------|
| <b>DailyCosts: Drilling</b> | \$0               | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$0      |
| <b>Cum Costs: Drilling</b>  | \$75,000          | <b>Completion</b> | \$0           | <b>Well Total</b>      | \$75,000 |
| <b>MD</b>                   | 60                | <b>TVD</b>        | 60            | <b>Progress</b>        | 0        |
| <b>Days</b>                 | 0                 | <b>MW</b>         | 0.0           | <b>Visc</b>            | 0.0      |
| <b>Formation :</b>          | <b>PBTD : 0.0</b> |                   | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |          |

Activity at Report Time: BUILD LOCATION/SPUD NOTIFICATION

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | CRAIGS ROUSTABOUT SERVICE SPUD A 20" HOLE ON 6/18/10 @ 9:00 AM. SET +/-60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE MESSAGE AND BLM WAS NOTIFIED BY EMAIL OF SPUD ON 6/17/10 @ 9:03 AM. |

LOCATION 70% COMPLETE.

|   |       |             |                        |             |   |        |   |                 |     |          |     |
|---|-------|-------------|------------------------|-------------|---|--------|---|-----------------|-----|----------|-----|
| 06-21-2010                              |       | Reported By |                        | TERRY CSERE |   |        |   |                 |     |          |     |
| DailyCosts: Drilling                    |       | \$0         |                        | Completion  |   | \$0    |   | Daily Total     |     | \$0      |     |
| Cum Costs: Drilling                     |       | \$75,000    |                        | Completion  |   | \$0    |   | Well Total      |     | \$75,000 |     |
| MD                                      | 60    | TVD         | 60                     | Progress    | 0 | Days   | 0 | MW              | 0.0 | Visc     | 0.0 |
| Formation :                             |       | PBTD : 0.0  |                        |             |   | Perf : |   | PKR Depth : 0.0 |     |          |     |
| Activity at Report Time: BUILD LOCATION |       |             |                        |             |   |        |   |                 |     |          |     |
| Start                                   | End   | Hrs         | Activity Description   |             |   |        |   |                 |     |          |     |
| 06:00                                   | 06:00 | 24.0        | LOCATION 80% COMPLETE. |             |   |        |   |                 |     |          |     |

|   |       |             |                        |             |   |        |   |                 |     |          |     |
|---|-------|-------------|------------------------|-------------|---|--------|---|-----------------|-----|----------|-----|
| 06-22-2010                              |       | Reported By |                        | TERRY CSERE |   |        |   |                 |     |          |     |
| DailyCosts: Drilling                    |       | \$0         |                        | Completion  |   | \$0    |   | Daily Total     |     | \$0      |     |
| Cum Costs: Drilling                     |       | \$75,000    |                        | Completion  |   | \$0    |   | Well Total      |     | \$75,000 |     |
| MD                                      | 60    | TVD         | 60                     | Progress    | 0 | Days   | 0 | MW              | 0.0 | Visc     | 0.0 |
| Formation :                             |       | PBTD : 0.0  |                        |             |   | Perf : |   | PKR Depth : 0.0 |     |          |     |
| Activity at Report Time: BUILD LOCATION |       |             |                        |             |   |        |   |                 |     |          |     |
| Start                                   | End   | Hrs         | Activity Description   |             |   |        |   |                 |     |          |     |
| 06:00                                   | 06:00 | 24.0        | LOCATION 90% COMPLETE. |             |   |        |   |                 |     |          |     |

|   |       |             |  |             |   |        |   |                 |     |          |     |
|---|-------|-------------|--|-------------|---|--------|---|-----------------|-----|----------|-----|
| 06-23-2010                              |       | Reported By |  | TERRY CSERE |   |        |   |                 |     |          |     |
| DailyCosts: Drilling                    |       | \$0         |  | Completion  |   | \$0    |   | Daily Total     |     | \$0      |     |
| Cum Costs: Drilling                     |       | \$75,000    |  | Completion  |   | \$0    |   | Well Total      |     | \$75,000 |     |
| MD                                      | 60    | TVD         | 60                                       | Progress    | 0 | Days   | 0 | MW              | 0.0 | Visc     | 0.0 |
| Formation :                             |       | PBTD : 0.0  |  |             |   | Perf : |   | PKR Depth : 0.0 |     |          |     |
| Activity at Report Time: BUILD LOCATION |       |             |  |             |   |        |   |                 |     |          |     |
| Start                                   | End   | Hrs         | Activity Description                     |             |   |        |   |                 |     |          |     |
| 06:00                                   | 06:00 | 24.0        | LOCATION COMPLETE. STARTING CLOSED LOOP. |             |   |        |   |                 |     |          |     |

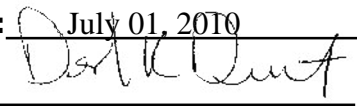
|   |       |             |                           |             |   |        |   |                 |     |          |     |
|---|-------|-------------|---------------------------|-------------|---|--------|---|-----------------|-----|----------|-----|
| 06-24-2010                              |       | Reported By |                           | TERRY CSERE |   |        |   |                 |     |          |     |
| DailyCosts: Drilling                    |       | \$0         |                           | Completion  |   | \$0    |   | Daily Total     |     | \$0      |     |
| Cum Costs: Drilling                     |       | \$75,000    |                           | Completion  |   | \$0    |   | Well Total      |     | \$75,000 |     |
| MD                                      | 60    | TVD         | 60                        | Progress    | 0 | Days   | 0 | MW              | 0.0 | Visc     | 0.0 |
| Formation :                             |       | PBTD : 0.0  |                           |             |   | Perf : |   | PKR Depth : 0.0 |     |          |     |
| Activity at Report Time: BUILD LOCATION |       |             |                           |             |   |        |   |                 |     |          |     |
| Start                                   | End   | Hrs         | Activity Description      |             |   |        |   |                 |     |          |     |
| 06:00                                   | 06:00 | 24.0        | CLOSED LOOP 80% COMPLETE. |             |   |        |   |                 |     |          |     |

|   |    |             |    |             |   |        |   |                 |     |          |     |
|---|----|-------------|----|-------------|---|--------|---|-----------------|-----|----------|-----|
| 06-25-2010                              |    | Reported By |    | TERRY CSERE |   |        |   |                 |     |          |     |
| DailyCosts: Drilling                    |    | \$0         |    | Completion  |   | \$0    |   | Daily Total     |     | \$0      |     |
| Cum Costs: Drilling                     |    | \$75,000    |    | Completion  |   | \$0    |   | Well Total      |     | \$75,000 |     |
| MD                                      | 60 | TVD         | 60 | Progress    | 0 | Days   | 0 | MW              | 0.0 | Visc     | 0.0 |
| Formation :                             |    | PBTD : 0.0  |    |             |   | Perf : |   | PKR Depth : 0.0 |     |          |     |
| Activity at Report Time: BUILD LOCATION |    |             |    |             |   |        |   |                 |     |          |     |

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | LOCATION COMPLETE. CRAIG'S ROUSTABOUT SERVICE SPUDS A 20" HOLE ON 6/18/2010 @ 09:00 AM. SET +/-60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE MESSAGE AND BLM WAS NOTIFIED BY EMAIL OF SPUD ON 6/18/10 @ 09:00 AM. NOTIFICATIONS SENT ON 6/16/2010. |

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|   |   |  |
|---|---|--|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING   |   | <b>FORM 9</b>  |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.  |   | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>UTU01304 |
| <b>1. TYPE OF WELL</b><br>Gas Well  |   | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>               |
| <b>2. NAME OF OPERATOR:</b><br>EOG Resources, Inc.  |   | <b>7. UNIT or CA AGREEMENT NAME:</b>                       |
| <b>3. ADDRESS OF OPERATOR:</b><br>1060 East Highway 40, Vernal, UT, 84078   |   | <b>8. WELL NAME and NUMBER:</b><br>East Chapita 86-03      |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>2063 FNL 0818 FWL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: SWNW Section: 3 Township: 09.0S Range: 23.0E Meridian: S  |   | <b>9. API NUMBER:</b><br>43047501980000                    |
| <b>PHONE NUMBER:</b><br>435 781-9111 Ext  |   | <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES     |
| <b>COUNTY:</b><br>UTAH  |   | <b>STATE:</b><br>UTAH                                      |
| <b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>  |   |  |
| <b>TYPE OF SUBMISSION</b>   | <b>TYPE OF ACTION</b>   |  |
| <input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b><br>Approximate date work will start:<br>6/10/2010<br><br><input type="checkbox"/> <b>SUBSEQUENT REPORT</b><br>Date of Work Completion:<br><br><input type="checkbox"/> <b>SPUD REPORT</b><br>Date of Spud:<br><br><input type="checkbox"/> <b>DRILLING REPORT</b><br>Report Date:   | <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE<br/> <input type="checkbox"/> CHANGE TO PREVIOUS PLANS<br/> <input type="checkbox"/> CHANGE WELL STATUS<br/> <input type="checkbox"/> DEEPEN<br/> <input type="checkbox"/> OPERATOR CHANGE<br/> <input type="checkbox"/> PRODUCTION START OR RESUME<br/> <input type="checkbox"/> REPERFORATE CURRENT FORMATION<br/> <input type="checkbox"/> TUBING REPAIR<br/> <input type="checkbox"/> WATER SHUTOFF<br/> <input type="checkbox"/> WILDCAT WELL DETERMINATION         </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING<br/> <input type="checkbox"/> CHANGE TUBING<br/> <input checked="" type="checkbox"/> COMMINGLE PRODUCING FORMATIONS<br/> <input type="checkbox"/> FRACTURE TREAT<br/> <input type="checkbox"/> PLUG AND ABANDON<br/> <input type="checkbox"/> RECLAMATION OF WELL SITE<br/> <input type="checkbox"/> SIDETRACK TO REPAIR WELL<br/> <input type="checkbox"/> VENT OR FLARE<br/> <input type="checkbox"/> SI TA STATUS EXTENSION<br/> <input type="checkbox"/> OTHER         </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR<br/> <input type="checkbox"/> CHANGE WELL NAME<br/> <input type="checkbox"/> CONVERT WELL TYPE<br/> <input type="checkbox"/> NEW CONSTRUCTION<br/> <input type="checkbox"/> PLUG BACK<br/> <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION<br/> <input type="checkbox"/> TEMPORARY ABANDON<br/> <input type="checkbox"/> WATER DISPOSAL<br/> <input type="checkbox"/> APD EXTENSION<br/>           OTHER:         </div> </div> |  |
| <b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b><br>EOG Resources, Inc. requests authorization for commingling of production from the Wasatch and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from cased-hole logs. Production from the Wasatch and Mesaverde formations will be commingled in the wellbore and produced through open-ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing. Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool. |   |  |
| <b>Accepted by the Utah Division of Oil, Gas and Mining</b><br><br><b>Date:</b> July 01, 2010<br><b>By:</b>    |   |  |
| <b>NAME (PLEASE PRINT)</b><br>Nanette Lupcho  | <b>PHONE NUMBER</b><br>435 781-9157   | <b>TITLE</b><br>Regulatory Assistant                       |
| <b>SIGNATURE</b><br>N/A   | <b>DATE</b><br>6/10/2010  |  |



**The Utah Division of Oil, Gas, and Mining**

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices**

**Sundry Conditions of Approval Well Number 43047501980000**

**Board Cause No. 179-15**

**Accepted by the  
Utah Division of  
Oil, Gas and Mining**

**Date:** July 01, 2010  
**By:** Dan K. Quist

STATE OF UTAH )

) ss

COUNTY OF UINTAH )

VERIFICATION

Nanette Lupcho, of lawful age, being first duly sworn upon oath, deposes and says:

She is the Regulatory Assistant for EOG Resources, Inc., of Vernal, Utah. EOG Resources, Inc. is the operator of the following described well:

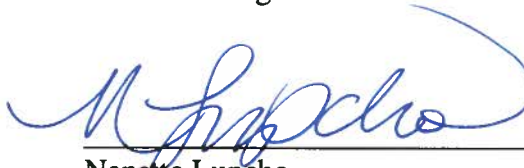
**E CHAPITA 86-03  
2063' FNL – 818' FWL (SWNW)  
SECTION 3, T9S, R23E  
UINTAH COUNTY, UTAH**

EOG Resources, Inc., is the only owner in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 8<sup>th</sup> day of June, 2010 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

Said envelope which contained these instruments was addressed to the Utah Division of Oil, Gas & Mining, and Bureau of Land Management.

Further affiant saith not.



Nanette Lupcho  
Regulatory Assistant

Subscribed and sworn before me this 8<sup>th</sup> day of June, 2010.



Notary Public

My Commission Expires: April 18 2012



RECEIVED June 10, 2010

R 23 E

ECW 71-4

ECW 73-4

ECW 74-4

U-01304

ECW 86-3

ECW 27-3

U-01304

T  
9  
S

3

4

○ EAST CHAPITA 86-3

Scale: 1"=1000'

0 1/4 1/2 Mile



Denver Division

EXHIBIT "A"

EAST CHAPITA 86-3  
Commingling Application  
Uintah County, Utah

Scale:  
1"=1000'

Dr: UtahCommingled  
EC86-3\_commingled.dwg  
WELL

Author

TLM

Jun 18, 2009 -  
3:56pm

RECEIVED June 10, 2010

|   |  |  |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
|---|--|--|----------------------------------|---------------------------------------|--|---|--|---|---|---|--|---------------------------------|---|---|--|---|------------------------------------|---|---|---|--|---|--|--|--|--|--|---|--|---|--------------------------------|--------|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING   |  | <b>FORM 9</b>  |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.  |  | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>UTU01304 |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <b>1. TYPE OF WELL</b><br>Gas Well  |  | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>               |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <b>2. NAME OF OPERATOR:</b><br>EOG Resources, Inc.  |  | <b>7. UNIT or CA AGREEMENT NAME:</b>                       |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <b>3. ADDRESS OF OPERATOR:</b><br>1060 East Highway 40 , Vernal, UT, 84078  |  | <b>8. WELL NAME and NUMBER:</b><br>East Chapita 86-03      |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b><br>2063 FNL 0818 FWL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: SWNW Section: 3 Township: 09.0S Range: 23.0E Meridian: S  |  | <b>9. API NUMBER:</b><br>43047501980000                    |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <b>PHONE NUMBER:</b><br>435 781-9111 Ext  |  | <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES     |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <b>COUNTY:</b><br>UINTAH  |  | <b>STATE:</b><br>UTAH                                      |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>  |  |  |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <b>TYPE OF SUBMISSION</b>   | <b>TYPE OF ACTION</b>  |  |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b><br>Approximate date work will start:<br>6/18/2010<br><br><input type="checkbox"/> <b>SUBSEQUENT REPORT</b><br>Date of Work Completion:<br><br><input type="checkbox"/> <b>SPUD REPORT</b><br>Date of Spud:<br><br><input type="checkbox"/> <b>DRILLING REPORT</b><br>Report Date:   | <table style="width: 100%; border: none;"> <tr> <td><input type="checkbox"/> ACIDIZE</td> <td><input type="checkbox"/> ALTER CASING</td> <td><input type="checkbox"/> CASING REPAIR</td> </tr> <tr> <td><input type="checkbox"/> CHANGE TO PREVIOUS PLANS</td> <td><input type="checkbox"/> CHANGE TUBING</td> <td><input type="checkbox"/> CHANGE WELL NAME</td> </tr> <tr> <td><input type="checkbox"/> CHANGE WELL STATUS</td> <td><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS</td> <td><input type="checkbox"/> CONVERT WELL TYPE</td> </tr> <tr> <td><input type="checkbox"/> DEEPEN</td> <td><input type="checkbox"/> FRACTURE TREAT</td> <td><input type="checkbox"/> NEW CONSTRUCTION</td> </tr> <tr> <td><input type="checkbox"/> OPERATOR CHANGE</td> <td><input type="checkbox"/> PLUG AND ABANDON</td> <td><input type="checkbox"/> PLUG BACK</td> </tr> <tr> <td><input type="checkbox"/> PRODUCTION START OR RESUME</td> <td><input type="checkbox"/> RECLAMATION OF WELL SITE</td> <td><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION</td> </tr> <tr> <td><input type="checkbox"/> REPERFORATE CURRENT FORMATION</td> <td><input type="checkbox"/> SIDETRACK TO REPAIR WELL</td> <td><input type="checkbox"/> TEMPORARY ABANDON</td> </tr> <tr> <td><input type="checkbox"/> TUBING REPAIR</td> <td><input type="checkbox"/> VENT OR FLARE</td> <td><input checked="" type="checkbox"/> WATER DISPOSAL</td> </tr> <tr> <td><input type="checkbox"/> WATER SHUTOFF</td> <td><input type="checkbox"/> SI TA STATUS EXTENSION</td> <td><input type="checkbox"/> APD EXTENSION</td> </tr> <tr> <td><input type="checkbox"/> WILDCAT WELL DETERMINATION</td> <td><input type="checkbox"/> OTHER</td> <td>OTHER:  </td> </tr> </table> |  | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK | <input type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input type="checkbox"/> TEMPORARY ABANDON | <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input checked="" type="checkbox"/> WATER DISPOSAL | <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input type="checkbox"/> APD EXTENSION | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> OTHER | OTHER: |
| <input type="checkbox"/> ACIDIZE  | <input type="checkbox"/> ALTER CASING  | <input type="checkbox"/> CASING REPAIR                     |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <input type="checkbox"/> CHANGE TO PREVIOUS PLANS   | <input type="checkbox"/> CHANGE TUBING   | <input type="checkbox"/> CHANGE WELL NAME                  |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <input type="checkbox"/> CHANGE WELL STATUS   | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS  | <input type="checkbox"/> CONVERT WELL TYPE                 |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <input type="checkbox"/> DEEPEN   | <input type="checkbox"/> FRACTURE TREAT  | <input type="checkbox"/> NEW CONSTRUCTION                  |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <input type="checkbox"/> OPERATOR CHANGE  | <input type="checkbox"/> PLUG AND ABANDON  | <input type="checkbox"/> PLUG BACK                         |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <input type="checkbox"/> PRODUCTION START OR RESUME   | <input type="checkbox"/> RECLAMATION OF WELL SITE  | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION    |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <input type="checkbox"/> REPERFORATE CURRENT FORMATION  | <input type="checkbox"/> SIDETRACK TO REPAIR WELL  | <input type="checkbox"/> TEMPORARY ABANDON                 |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <input type="checkbox"/> TUBING REPAIR  | <input type="checkbox"/> VENT OR FLARE   | <input checked="" type="checkbox"/> WATER DISPOSAL         |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <input type="checkbox"/> WATER SHUTOFF  | <input type="checkbox"/> SI TA STATUS EXTENSION  | <input type="checkbox"/> APD EXTENSION                     |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <input type="checkbox"/> WILDCAT WELL DETERMINATION   | <input type="checkbox"/> OTHER   | OTHER:   |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b><br>EOG Resources, Inc. respectfully requests authorization for the disposal of produced water at the following locations: 1. NBU 20-20B SWD 2. CWU 550-30N SWD 3. CWU 2-29 SWD 4. Red Wash Evaporation Ponds 1,2,3,4,5,6&7 5. White River Evaporation Ponds 1&2 6. RNI Disposal 7. HSWD Wells ROW# UTU86010 & UTU897093 |  |  |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <b>Accepted by the<br/>Utah Division of<br/>Oil, Gas and Mining<br/>FOR RECORD ONLY</b><br>July 06, 2010  |  |  |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <b>NAME (PLEASE PRINT)</b><br>Michelle Robles   | <b>PHONE NUMBER</b><br>307 276-4842  | <b>TITLE</b><br>Regulatory Assistant                       |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |
| <b>SIGNATURE</b><br>N/A   | <b>DATE</b><br>6/22/2010   |  |                                  |                                       |  |   |  |   |   |   |  |                                 |   |   |  |   |                                    |   |   |   |  |   |  |  |  |  |  |   |  |   |                                |        |

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: EOG Resources, Inc. Operator Account Number: N 9550  
Address: 1060 East Highway 40  
city Vernal  
state UT zip 84078 Phone Number: (307) 276-4842

**Well 1**

| API Number   | Well Name             |                   | QQ        | Sec | Twp                              | Rng | County |
|--|-----------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 43-047-50198                                       | EAST CHAPITA 86-03    |                   | SWNW      | 3   | 9S                               | 23E | UINTAH |
| Action Code  | Current Entity Number | New Entity Number | Spud Date |     | Entity Assignment Effective Date |     |        |
| A  | 99999                 | 17658             | 6/18/2010 |     | 7/15/10                          |     |        |
| Comments: WASATCH/MESAVERDE<br>PRRV = MVRD = WSMVD |                       |                   |           |     |                                  |     |        |

**Well 2**

| API Number  | Well Name             |                   | QQ        | Sec | Twp                              | Rng | County |
|-------------|-----------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
|             |                       |                   |           |     |                                  |     |        |
| Action Code | Current Entity Number | New Entity Number | Spud Date |     | Entity Assignment Effective Date |     |        |
|             |                       |                   |           |     |                                  |     |        |
| Comments:   |                       |                   |           |     |                                  |     |        |

**Well 3**

| API Number  | Well Name             |                   | QQ        | Sec | Twp                              | Rng | County |
|-------------|-----------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
|             |                       |                   |           |     |                                  |     |        |
| Action Code | Current Entity Number | New Entity Number | Spud Date |     | Entity Assignment Effective Date |     |        |
|             |                       |                   |           |     |                                  |     |        |
| Comments:   |                       |                   |           |     |                                  |     |        |

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

**RECEIVED**

JUN 22 2010

Michelle Robles

Name (Please Print)

Michelle Robles

Signature

Regulatory Assistant

6/22/2010

Title

Date



|  |   |   |
|--|---|---|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING  |   | <b>FORM 9</b>   |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. |   | <b>5.LEASE DESIGNATION AND SERIAL NUMBER:</b><br>UTU01304 |
|  |   | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>              |
|  |   | <b>7.UNIT or CA AGREEMENT NAME:</b>                       |
| <b>1. TYPE OF WELL</b><br>Gas Well   | <b>8. WELL NAME and NUMBER:</b><br>East Chapita 86-03 |   |
| <b>2. NAME OF OPERATOR:</b><br>EOG Resources, Inc.   | <b>9. API NUMBER:</b><br>43047501980000               |   |
| <b>3. ADDRESS OF OPERATOR:</b><br>1060 East Highway 40 , Vernal, UT, 84078   | <b>PHONE NUMBER:</b><br>435 781-9111 Ext              | <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES    |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>2063 FNL 0818 FWL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: SWNW Section: 03 Township: 09.0S Range: 23.0E Meridian: S  |   | <b>COUNTY:</b><br>UINTAH                                  |
|  |   | <b>STATE:</b><br>UTAH                                     |

**11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION   | TYPE OF ACTION  |   |   |
|--|---|---|---|
| <input type="checkbox"/> <b>NOTICE OF INTENT</b><br>Approximate date work will start:  | <input type="checkbox"/> ACIDIZE<br><br><input type="checkbox"/> CHANGE TO PREVIOUS PLANS<br><br><input type="checkbox"/> CHANGE WELL STATUS<br><br><input type="checkbox"/> DEEPEN<br><br><input type="checkbox"/> OPERATOR CHANGE<br><br><input type="checkbox"/> PRODUCTION START OR RESUME<br><br><input type="checkbox"/> REPERFORATE CURRENT FORMATION<br><br><input type="checkbox"/> TUBING REPAIR<br><br><input type="checkbox"/> WATER SHUTOFF<br><br><input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> ALTER CASING<br><br><input type="checkbox"/> CHANGE TUBING<br><br><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS<br><br><input type="checkbox"/> FRACTURE TREAT<br><br><input type="checkbox"/> PLUG AND ABANDON<br><br><input type="checkbox"/> RECLAMATION OF WELL SITE<br><br><input type="checkbox"/> SIDETRACK TO REPAIR WELL<br><br><input type="checkbox"/> VENT OR FLARE<br><br><input type="checkbox"/> SI TA STATUS EXTENSION<br><br><input type="checkbox"/> OTHER | <input type="checkbox"/> CASING REPAIR<br><br><input type="checkbox"/> CHANGE WELL NAME<br><br><input type="checkbox"/> CONVERT WELL TYPE<br><br><input type="checkbox"/> NEW CONSTRUCTION<br><br><input type="checkbox"/> PLUG BACK<br><br><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION<br><br><input type="checkbox"/> TEMPORARY ABANDON<br><br><input type="checkbox"/> WATER DISPOSAL<br><br><input type="checkbox"/> APD EXTENSION<br><br>OTHER: <input style="width: 100px;" type="text"/> |
| <input type="checkbox"/> <b>SUBSEQUENT REPORT</b><br>Date of Work Completion:          |   |   |   |
| <input type="checkbox"/> <b>SPUD REPORT</b><br>Date of Spud:                           |   |   |   |
| <input checked="" type="checkbox"/> <b>DRILLING REPORT</b><br>Report Date:<br>8/5/2010 |   |   |   |

**12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.**  
 The referenced well reached TD on 7/27/2010, please see the attached well chronology report for the referenced well showing all activity up to 8/5/2010

Accepted by the

Utah Division of

Oil, Gas and Mining

**FOR RECORD ONLY**

August 09, 2010

|   |                                     |                                  |
|---|-------------------------------------|----------------------------------|
| <b>NAME (PLEASE PRINT)</b><br>Mickenzie Gates | <b>PHONE NUMBER</b><br>435 781-9145 | <b>TITLE</b><br>Operations Clerk |
| <b>SIGNATURE</b><br>N/A                       | <b>DATE</b><br>8/5/2010             |                                  |

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | LOCATION COMPLETE. CRAIG'S ROUSTABOUT SERVICE SPUDS A 20" HOLE ON 6/18/2010 @ 09:00 AM. SET +/-60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE MESSAGE AND BLM WAS NOTIFIED BY EMAIL OF SPUD ON 6/18/10 @ 09:00 AM. NOTIFICATIONS SENT ON 6/16/2010. |

**07-03-2010**      **Reported By**      DAVID GREESON

|                                      |                   |                   |               |                        |           |
|--------------------------------------|-------------------|-------------------|---------------|------------------------|-----------|
| <b>Daily Costs: Drilling</b>         | \$211,667         | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$211,667 |
| <b>Cum Costs: Drilling</b>           | \$286,667         | <b>Completion</b> | \$0           | <b>Well Total</b>      | \$286,667 |
| <b>MD</b>                            | 2,629             | <b>TVD</b>        | 2,629         | <b>Progress</b>        | 0         |
| <b>Days</b>                          | 0                 | <b>MW</b>         | 0.0           | <b>Visc</b>            | 0.0       |
| <b>Formation :</b>                   | <b>PBTD : 0.0</b> |                   | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |           |
| <b>Activity at Report Time: WORT</b> |                   |                   |               |                        |           |

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | MIRU CRAIG'S AIR RIG #2 ON 6/26/2010. DRILLED 12-1/4" HOLE TO 2610' GL (2629' KB). ENCOUNTERED NO WATER. DRILLED WITH AIR TO 1920', PUMP DRILLED TO 2610' GL. PARTIAL RETURNS THROUGHOUT DRILLING. RAN 61 JTS (2599.93') OF 9-5/8", 36.0#, J-55, STC CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2618.93' KB. RAN 200' 1" PIPE DOWN BACK SIDE. RDMO CRAIGS RIG #2. |

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 5000 PSIG. PUMPED 150 BBLS FRESH WATER FLUSH AHEAD OF CEMENT. LEAD: MIXED AND PUMPED 250 SACKS (183 BBLS) OF PREMIUM LEAD CEMENT WITH 0.2% VARSET 2% CALSEAL, AND 2% EX-1. MIXED LEAD @ 10.5 PPG W/ YIELD OF 4.1 CFS. FULL TO PARTIAL RETURNS THROUGH OUT PUMPING. TAIL: MIXED AND PUMPED 300 SACKS (64 BBLS) OF PREMIUM CEMENT W/ 2% CACL. MIXED CEMENT @ 15.6 PPG W/ YIELD OF 1.2 CF/SX. DISPLACED CEMENT W/197.5 BBLS FRESH WATER. BUMPED PLUG W/1000 PSI @ 22:02, 7/1/10. FLOATS HELD. NO RETURNS OF CEMENT TO SURFACE. WATER FELL DOWN TO 6' BELOW SURFACE AFTER PUMPING STOPPED. WAIT 1 HOUR BEFORE TOP JOB.

TOP JOB # 1: DOWN 200' OF 1' PIPE, MIXED & PUMPED 150 SX (32 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.17 CF/SX. CEMENT RETURNED TO SURFACE AFTER 25 BBLS PUMPED. HOLE STOOD FULL WHEN PUMPING STOPPED. RELEASE HALLIBURTON.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

CRAIGS RIG 2 TOOK SURVEYS WHILE DRILLING HOLE @ 1500' = 0.75 DEGREE, 2010' = 0.5 DEGREE & 2610' = 0 DEGREE.

DAVID GREESON NOTIFIED BLM VIA EMAIL OF THE SURFACE CASING & CEMENT JOB ON 6/30/2010 @ 09:20 AM. DAVID GREESON NOTIFIED CAROL DANIELS WITH UDOGM OF THE SURFACE CASING AND CEMENT VIA PHONE ON 6/30/10 AT 10:30 AM.

**07-22-2010**      **Reported By**      DAVID GREESON

|                              |                   |                   |               |                        |           |
|------------------------------|-------------------|-------------------|---------------|------------------------|-----------|
| <b>Daily Costs: Drilling</b> | \$91,060          | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$91,060  |
| <b>Cum Costs: Drilling</b>   | \$377,728         | <b>Completion</b> | \$0           | <b>Well Total</b>      | \$377,728 |
| <b>MD</b>                    | 2,629             | <b>TVD</b>        | 2,629         | <b>Progress</b>        | 0         |
| <b>Days</b>                  | 0                 | <b>MW</b>         | 0.0           | <b>Visc</b>            | 0.0       |
| <b>Formation :</b>           | <b>PBTD : 0.0</b> |                   | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |           |

**Activity at Report Time: TESTING BOPE**

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 06:00 | 03:00 | 21.0 | MOVE RIG FROM THE ECW 82-03 TO THE ECW 86-03, 0.6 MILES. TRUCKS BEGAN MOVE AT 7:00. DERRICK WAS IN THE AIR AT 17:00 AND TRUCKS WERE RELEASED AT 18:00, 7/21/10. RURT. NU BOPE. RIG ACCEPTED AT 02:30 HRS 07/22/2010. |

03:00 06:00 3.0 HELD PJSM WITH B & C QUICK TEST, INC. RU AND TEST PIPE RAMS, BLIND RAM, UPPER & LOWER KELLY & INSIDE BOP 250 LOW FOR 5 MIN./ 5000 PSI HIGH 10 MIN. TEST ANNULAR PREVENTER 250 LOW FOR 5 MIN./2500 HIGH PSI FOR 10 MINUTES. ALL TESTS HELD.

FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED.

SAFETY MEETINGS: RIG MOVE SAFETY/ TESTING BOP.

FUEL RECEIVED: 8000 GL. ON HAND: 10,260 GL. USED: 134 GL.

NOTIFIED BLM VIA EMAIL AND CAROL DANIELS OF UDOGM VIA PHONE ON 7/20/10 OF INTENT TO TEST BOPE ON THE ECW 86-03 AT 04:00 ON 7/22/10.

TRANSFERRED 2394 GL FUEL, 5 JT'S (211.0") 4.5", 11.6# N-80 CASING AND 2 JT'S (30.37') 4.5", 11.6# P-110 MARKER JOINTS FROM THE ECW 82-03 TO THE 86-03 ON 7/21/10.

07-23-2010 Reported By DAVID GREESON

DailyCosts: Drilling \$33,362 Completion \$0 Daily Total \$33,362

Cum Costs: Drilling \$411,090 Completion \$0 Well Total \$411,090

MD 4,700 TVD 4,700 Progress 2,081 Days 1 MW 10.4 Visc 40.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 4700'

| Start | End   | Hrs | Activity Description   |
|-------|-------|-----|--|
| 06:00 | 06:30 | 0.5 | HELD PJSM WITH B & C QUICK TEST, INC. RU AND TEST PIPE RAMS, BLIND RAM, UPPER & LOWER KELLY & INSIDE BOP 250 LOW FOR 5 MIN./ 5000 PSI HIGH 10 MIN. TEST ANNULAR PREVENTER 250 LOW FOR 5 MIN./2500 HIGH PSI FOR 10 MINUTES. TEST SUPER CHOKE @ 500 PSI FOR 5 MIN. ALL TESTS HELD. |
| 06:30 | 07:00 | 0.5 | TEST CASING @ 1500 PSI FOR 30 MIN. TEST HELD.  |
| 07:00 | 07:30 | 0.5 | INSTALL WEAR BUSHING.  |
| 07:30 | 08:00 | 0.5 | RU FRANKS WESTATES LD MACHINE TOOLS. HELD SAFETY MEETING W/ ALL PRESENT OVER SAFE BHA AND PIPE PICKUP.   |
| 08:00 | 11:00 | 3.0 | PU BHA #1 & DP. TAG AT 2562'.  |
| 11:00 | 12:00 | 1.0 | RD LAYDOWN MACHINE TOOLS. INSTALL ROT. RUBBER. KELLY UP.   |
| 12:00 | 13:00 | 1.0 | DRILL CEMENT, FLOAT EQUIPMENT AND 12' OF NEW HOLE.<br><5K WOB. 120 STK. ON #2 PUMP 454 GPM. 50 RPM AND 73 RPM MM.  |
| 13:00 | 13:30 | 0.5 | CIRCUALTE BOTTOMS UP TWICE, PUMP HIGH VIS SWEEP. PERFORM FIT TEST @ 2610' W/ A 10.2 MUD WT. TO 220 PSI= 11.8 EMW.  |
| 13:30 | 14:00 | 0.5 | DRILL F/ 2642' TO 2705' (63') 126' FPH, 55 RPM + 73 MOTOR, WOB 15K, PUMP 454 GPM @ 120 SPM ON #2 PUMP. SPP 1800, MUD WEIGHT 10.2, VIS 38. FORMATION: MAHOGANY OIL SHALE 2.632'.  |
| 14:00 | 14:30 | 0.5 | SERVICE RIG. CHECK COM DRILLING.   |
| 14:30 | 15:00 | 0.5 | SURVEY@ 2,624'; 0.14 DEGREE.   |
| 15:00 | 22:30 | 7.5 | DRILL F/ 2705' TO 3765' (1060') 141' FPH, 55 RPM + 73 MOTOR, WOB 18K, PUMP 454 GPM @ 120 SPM ON PUMP #2, SPP 1900, MUD WEIGHT 10.2, VIS 38.<br>FORMATION: MAHOGANY OIL SHALE @ 2.632'.   |
| 22:30 | 23:00 | 0.5 | SURVEY@ 3650': 1.53 DEGREE.  |
| 23:00 | 06:00 | 7.0 | DRILL F/ 3765' TO 4700' (935') 134' FPH, 55 RPM + 73 MOTOR, WOB 18K, PUMP 454 GPM @ 120 SPM ON PUMP #2, SPP 2200, MUD WEIGHT 10.4, VIS 38.   |

FORMATION: MAHOGANY OIL SHALE @ 2.632'; WASATCH 4,867'.

FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED.

SAFETY MEETINGS: WORKING ON PUMPS/ PROPER TOOLS.

CHECK COM DRILLING. BOP TEST 85 SECONDS.

FUEL ON HAND: 9177 GL. USED: 1083 GL.

06:00

SPUD 7 7/8" HOLE AT 13:30 HRS, 7/22/10.

|   |       |             |   |               |       |        |   |                 |      |           |      |
|---|-------|-------------|---|---------------|-------|--------|---|-----------------|------|-----------|------|
| 07-24-2010  |       | Reported By |   | DAVID GREESON |       |        |   |                 |      |           |      |
| Daily Costs: Drilling                                   |       | \$31,377    |   | Completion    |       | \$543  |   | Daily Total     |      | \$31,920  |      |
| Cum Costs: Drilling                                     |       | \$442,468   |   | Completion    |       | \$543  |   | Well Total      |      | \$443,011 |      |
| MD  | 6,530 | TVD         | 6,530   | Progress      | 1,830 | Days   | 2 | MW              | 10.6 | Visc      | 40.0 |
| Formation :   |       | PBTD : 0.0  |   |               |       | Perf : |   | PKR Depth : 0.0 |      |           |      |
| Activity at Report Time: DRILLING @ 6,530'              |       |             |   |               |       |        |   |                 |      |           |      |
| Start   | End   | Hrs         | Activity Description  |               |       |        |   |                 |      |           |      |
| 06:00   | 06:30 | 0.5         | DRILL F/4700' TO 4733' (33') 66' FPH, 55 RPM + 73 MOTOR, WOB 18K, PUMP 454 GPM @ 120 SPM ON PUMP #2, SPP 2200, MUD WEIGHT 10.4, VIS 38 .<br>FORMATION: WASATCH 4,867'.      |               |       |        |   |                 |      |           |      |
| 06:30   | 07:00 | 0.5         | SURVEY @ 4648'; 3.17 DEGREE.  |               |       |        |   |                 |      |           |      |
| 07:00   | 10:00 | 3.0         | DRILL F/4733' TO 5050' (317') 106' FPH, 55 RPM + 73 MOTOR, WOB 18K, PUMP 454 GPM @ 120 SPM ON PUMP #2, SPP 2200, MUD WEIGHT 10.4, VIS 38 .<br>FORMATION: WASATCH 4,867'.    |               |       |        |   |                 |      |           |      |
| 10:00   | 10:30 | 0.5         | SERVICE RIG. CHANGE OUT AIR HOSE TO MOTOR CLUTCH. LUBE RIG.   |               |       |        |   |                 |      |           |      |
| 10:30   | 06:00 | 19.5        | DRILL F/5050' TO 6530' (1480') 76' FPH, 50 RPM + 73 MOTOR, WOB 20K, PUMP 454 GPM @ 120 SPM ON PUMP #2, SPP 2250, MUD WEIGHT 10.6, VIS 40 .<br>FORMATION: NORTH HORN 6,684'. |               |       |        |   |                 |      |           |      |
| FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED.         |       |             |   |               |       |        |   |                 |      |           |      |
| SAFETY MEETINGS: MAKING CONNECTIONS/ GOOD HOUSEKEEPING. |       |             |   |               |       |        |   |                 |      |           |      |
| CHECK COM DRILLING. BOP TEST 85 SECONDS.                |       |             |   |               |       |        |   |                 |      |           |      |
| FUEL ON HAND: 7866 GL. USED: 1311 GL.                   |       |             |   |               |       |        |   |                 |      |           |      |

|   |       |             |  |               |       |         |   |                 |      |           |      |
|---|-------|-------------|--|---------------|-------|---------|---|-----------------|------|-----------|------|
| 07-25-2010                                |       | Reported By |  | DAVID GREESON |       |         |   |                 |      |           |      |
| Daily Costs: Drilling                     |       | \$22,055    |  | Completion    |       | \$5,996 |   | Daily Total     |      | \$28,052  |      |
| Cum Costs: Drilling                       |       | \$464,524   |  | Completion    |       | \$6,539 |   | Well Total      |      | \$471,063 |      |
| MD  | 7,920 | TVD         | 7,920  | Progress      | 1,390 | Days    | 3 | MW              | 11.2 | Visc      | 40.0 |
| Formation :                               |       | PBTD : 0.0  |  |               |       | Perf :  |   | PKR Depth : 0.0 |      |           |      |
| Activity at Report Time: DRILLING@ 7,920' |       |             |  |               |       |         |   |                 |      |           |      |
| Start                                     | End   | Hrs         | Activity Description   |               |       |         |   |                 |      |           |      |
| 06:00                                     | 16:00 | 10.0        | DRILL F/6530' TO 7174' (644') 64' FPH, 50 RPM + 71 MOTOR, WOB 20K, PUMP 446 GPM @ 118 SPM ON PUMP #2, SPP 2450, MUD WEIGHT 10.9, VIS 40 .<br>FORMATION: NORTH HORN 6,684'; PRICE RIVER 7,128'.   |               |       |         |   |                 |      |           |      |
| 16:00                                     | 16:30 | 0.5         | SERVICE RIG. CHECK COM DRILLING.   |               |       |         |   |                 |      |           |      |
| 16:30                                     | 06:00 | 13.5        | DRILL F/7174' TO 7920' (746') 55' FPH, 50 RPM + 67 MOTOR, WOB 20K, PUMP 419 GPM @ 120 SPM ON PUMP #1, SPP 2350, MUD WEIGHT 11.2, VIS 40.<br><br>FORMATION: PRICE RIVER 7,128'; MIDDLE PRICE 7,843'<br>FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED.<br>SAFETY MEETINGS: PUMP MAINTENANCE/ CLEANING LIGHTPLANT<br>CHECK COM DRILLING. BOP TEST 82 SECONDS.<br>FUEL ON HAND: 6384 GL. USED: 1482 GL. |               |       |         |   |                 |      |           |      |

07-26-2010      Reported By      DAVID GREESON

|                              |           |                   |         |                    |           |
|------------------------------|-----------|-------------------|---------|--------------------|-----------|
| <b>Daily Costs: Drilling</b> | \$39,941  | <b>Completion</b> | \$0     | <b>Daily Total</b> | \$39,941  |
| <b>Cum Costs: Drilling</b>   | \$504,465 | <b>Completion</b> | \$6,539 | <b>Well Total</b>  | \$511,005 |

|           |       |            |       |                 |     |             |   |           |      |             |      |
|-----------|-------|------------|-------|-----------------|-----|-------------|---|-----------|------|-------------|------|
| <b>MD</b> | 8,458 | <b>TVD</b> | 8,458 | <b>Progress</b> | 538 | <b>Days</b> | 4 | <b>MW</b> | 11.5 | <b>Visc</b> | 40.0 |
|-----------|-------|------------|-------|-----------------|-----|-------------|---|-----------|------|-------------|------|

|                    |                   |               |                        |
|--------------------|-------------------|---------------|------------------------|
| <b>Formation :</b> | <b>PBTD : 0.0</b> | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |
|--------------------|-------------------|---------------|------------------------|

Activity at Report Time: WASH/REAM TO BOTTOM @ 8,458'

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 17:00 | 11.0 | DRILL F/7920' TO 8458' (538') 49' FPH, 50 RPM + 67 MOTOR, WOB 20K, PUMP 419 GPM @ 120 SPM ON PUMP #1, SPP 2350, MUD WEIGHT 11.5, VIS 41.<br>FORMATION: MIDDLE PRICE 7,843'; LOWER PRICE 8,636'. |
| 17:00 | 17:30 | 0.5  | SERVICE RIG. CIRCULATE BOTTOMS UP.  |
| 17:30 | 18:00 | 0.5  | PUMP HIGH VIS. SWEEP AND CIRCULATE BOTTOMS UP. PUMP 30 BBL 13.0 PPG DRYJOB SLUG.  |
| 18:00 | 23:00 | 5.0  | TRIP FOR BIT #2 AT 8,458'. TIGHT SPOTS AT 5585'-5445', 4707'-4464'.   |
| 23:00 | 00:00 | 1.0  | LD BIT AND ROLLER REAMERS. PU BHA #2.   |
| 00:00 | 02:00 | 2.0  | TRIP IN THE HOLE WITH BHA #2. BREAK CIRCULATION AT 2646' and 4515'  |
| 02:00 | 03:30 | 1.5  | WASH AND REAM F/ 4471' TO 4515' AND FROM 4719' TO 4796'. 116 STK/MIN ON #2 PUMP. 438 GPM. 5-15K WOB. 55 RPM, 70 MM.   |
| 03:30 | 04:30 | 1.0  | TRIP IN THE HOLE TO 8388' AND KELLY UP.   |
| 04:30 | 06:00 | 1.5  | WASH AND REAM F/ 8388' TO 8458'. (70') 116 STK/MIN ON #2 PUMP. 438 GPM. 5-15K WOB. 55 RPM, 70 MM.   |

FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED.

SAFETY MEETINGS: HEAT EXHAUSTION/ MOVING EQUIPMENT.

CHECK COM DRILLING. BOP TEST 82 SECONDS.

FUEL ON HAND: 5244 GL. USED: 1140 GL.

07-27-2010      Reported By      DAVID GREESON

|                              |           |                   |         |                    |           |
|------------------------------|-----------|-------------------|---------|--------------------|-----------|
| <b>Daily Costs: Drilling</b> | \$27,931  | <b>Completion</b> | \$0     | <b>Daily Total</b> | \$27,931  |
| <b>Cum Costs: Drilling</b>   | \$532,397 | <b>Completion</b> | \$6,539 | <b>Well Total</b>  | \$538,937 |

|           |       |            |       |                 |     |             |   |           |      |             |      |
|-----------|-------|------------|-------|-----------------|-----|-------------|---|-----------|------|-------------|------|
| <b>MD</b> | 9,290 | <b>TVD</b> | 9,290 | <b>Progress</b> | 832 | <b>Days</b> | 5 | <b>MW</b> | 12.0 | <b>Visc</b> | 41.0 |
|-----------|-------|------------|-------|-----------------|-----|-------------|---|-----------|------|-------------|------|

|                    |                   |               |                        |
|--------------------|-------------------|---------------|------------------------|
| <b>Formation :</b> | <b>PBTD : 0.0</b> | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |
|--------------------|-------------------|---------------|------------------------|

Activity at Report Time: DRILLING @ 9,290'

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 15:00 | 9.0  | DRILL F/8458' TO 8848' (390') 43' FPH, 50 RPM + 67 MOTOR, WOB 20K, PUMP 419 GPM @ 120 SPM ON PUMP #1, SPP 2550, MUD WEIGHT 11.6, VIS 42.<br>FORMATION: LOWER PRICE 8,636'; SEGO 9,085'. |
| 15:00 | 15:30 | 0.5  | SERVICE RIG. FUNCTION PIPE RAMS AND CHOKE.  |
| 15:30 | 06:00 | 14.5 | DRILL F/8848' TO 9290' (442') 30' FPH, 45 RPM + 64 MOTOR, WOB 20K, PUMP 401 GPM @ 115 SPM ON PUMP #1, SPP 2550, MUD WEIGHT 12.0+, VIS 41.   |

FORMATION: LOWER PRICE 8,636'; SEGO 9,085'.

FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED.

SAFETY MEETINGS: THINKING SAFETY/ ELIMINATING HAZARDS.

CHECK COM DRILLING. BOP TEST 80 SECONDS.

FUNCTION BOP AND CHOKE.

FUEL ON HAND: 3762 GL. USED: 1482 GL.

07-28-2010      Reported By      DAVID GREESON

|   |            |                   |  |                 |           |                        |   |                                 |
|---|------------|-------------------|--|-----------------|-----------|------------------------|---|---------------------------------|
| <b>Daily Costs: Drilling</b>                            |            | \$43,908          | <b>Completion</b>  |                 | \$103,253 | <b>Daily Total</b>     |   | \$147,162                       |
| <b>Cum Costs: Drilling</b>                              |            | \$576,306         | <b>Completion</b>  |                 | \$109,792 | <b>Well Total</b>      |   | \$686,099                       |
| <b>MD</b>   | 9,353      | <b>TVD</b>        | 9,353  | <b>Progress</b> | 63        | <b>Days</b>            | 6 | <b>MW</b> 12.0 <b>Visc</b> 40.0 |
| <b>Formation :</b>                                      |            | <b>PBTD : 0.0</b> |  | <b>Perf :</b>   |           | <b>PKR Depth : 0.0</b> |   |                                 |
| <b>Activity at Report Time:</b> PREP TO CEMENT PROD CSG |            |                   |  |                 |           |                        |   |                                 |
| <b>Start</b>  | <b>End</b> | <b>Hrs</b>        | <b>Activity Description</b>  |                 |           |                        |   |                                 |
| 06:00   | 11:30      | 5.5               | DRILL F/9290' TO 9353' (60') 11' FPH, 45 RPM + 64 MOTOR, WOB 20–22K, PUMP 401 GPM @ 115 SPM ON PUMP #1, SPP 2550, MUD WEIGHT 12.0+, VIS 41. FORMATION DRILLED: SEGO 9,085'.<br><br>EXCESSIVE TORQUE ON TABLE W/ MORE THAN 22K WOB; ROP DROPPED TO 6'/HR.<br><br>NOTE: TD ADJUSTED TO 9350' @ 11:30 ON 7/27/10.<br>REACHED TD AT 11:30 HRS, 7/27/10.  |                 |           |                        |   |                                 |
| 11:30   | 12:30      | 1.0               | PUMP 60 BBL HI–VIS SWEEP. CIRCULATE BOTTOMS UP BEFORE SHORT TRIP. PUMP DRYJOB PILL.  |                 |           |                        |   |                                 |
| 12:30   | 13:30      | 1.0               | SHORT TRIP 10 STANDS. NO DRAG.   |                 |           |                        |   |                                 |
| 13:30   | 14:00      | 0.5               | KELLY UP AT 9305'. BEGIN CIRCULATING. SERVICE RIG  |                 |           |                        |   |                                 |
| 14:00   | 15:00      | 1.0               | PUMP 80 BBL 60+ HI–VIS SWEEP W/ SAWDUST MARKER, CIRCULATE 6900 STKS. FOR TOTAL CIRC.<br><br>HI VIS SWEEP CARRIED SOME FINE CUTTINGS AND SMALL AMOUNT OF SHALE SHARD.   |                 |           |                        |   |                                 |
| 15:00   | 15:30      | 0.5               | RIG UP FRANKS WESTATES LD MACHINE. DROPPED SURVEY. HELD SAFETY MEETING OVER LD DP AND BHA W/ ALL ON LOCATION PRESENT. CASING POINT @ 15:30 ON 7/27/10.   |                 |           |                        |   |                                 |
| 15:30   | 21:30      | 6.0               | PUMP DRYJOB SLUG. LD DRILL PIPE AND REMOVE ROT. HEAD RUBBER. BREAK KELLY. LD BHA.  |                 |           |                        |   |                                 |
| 21:30   | 22:00      | 0.5               | PULL WEAR BUSHING.   |                 |           |                        |   |                                 |
| 22:00   | 22:30      | 0.5               | HELD SAFETY MEETING OVER RUNNING CASING W/ ALL ON LOCATION PRESENT. RU FRANKS CASERS SERVICE TOOLS.  |                 |           |                        |   |                                 |
| 22:30   | 04:30      | 6.0               | RAN 220 JTS. 4.5" 11.6# N–80 LT&C CASING. TAGGED BOTTOM W/ JOINT #221, LAYED IT BACK DOWN AND PICKED UP FLUTED CASING HANGER W/ LANDING JOINT. LANDED THE SHOE AT 9349.2'. TOPS OF HCP–110 MARKER JTS SET AT 7133.16' AND 4456.67'. LANDED W/ 90,000 ON HANGER.  |                 |           |                        |   |                                 |
| 04:30   | 06:00      | 1.5               | CIRCULATE WHILE RD FRANKS LD MACHINE AND CASING TOOLS. RU HALLIBURTON CEMENTERS. HOLD SAFETY MEETING OVER CEMENTING W/ ALL PRESENT ON LOCATION.<br><br>NOTIFIED BLM VIA EMAIL AND CAROL DANIELS OF UDOGM ON 7/26/10 @ 10:00AM OF<br>INTENT TO RUN PROD. CASING ON 7/27/10 @ 10:00AM.<br>FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED.<br>SAFETY MEETINGS: LAYING DOWN DP/ RUNNING CASING.<br>CHECK COM DRILLING AND TRIPPING. BOP TEST 80 SECONDS.<br>FUNCTION BOP AND CHOKE.<br>FUEL ON HAND: 2793 GL. USED: 969' GL. |                 |           |                        |   |                                 |

|   |       |             |                      |            |   |           |   |                 |     |           |     |
|---|-------|-------------|----------------------|------------|---|-----------|---|-----------------|-----|-----------|-----|
| 07-29-2010                                  |       | Reported By |                      | GLEN PRUET |   |           |   |                 |     |           |     |
| DailyCosts: Drilling                        |       | \$8,569     |                      | Completion |   | \$70,973  |   | Daily Total     |     | \$79,542  |     |
| Cum Costs: Drilling                         |       | \$584,876   |                      | Completion |   | \$180,765 |   | Well Total      |     | \$765,642 |     |
| MD  | 9,350 | TVD         | 9,350                | Progress   | 0 | Days      | 7 | MW              | 0.0 | Visc      | 0.0 |
| Formation :                                 |       | PBTD : 0.0  |                      |            |   | Perf :    |   | PKR Depth : 0.0 |     |           |     |
| Activity at Report Time: RDRT/WO COMPLETION |       |             |                      |            |   |           |   |                 |     |           |     |
| Start                                       | End   | Hrs         | Activity Description |            |   |           |   |                 |     |           |     |



|       |       |  |
|-------|-------|--|
| 06:00 | 08:30 | 2.5 HALLIBURTON PRESSURE TEST PUMP & LINES TO 5000 PSI, CEMENT AS FOLLOWS: PUMP 20 BBLS MUD FLUSH, 20 BBLS FRESH WATER, MIX AND PUMP 560 SX (162 BBLS) HIBOND LEAD CMT. @ 12.5 PPG, 1.62 YLD., 8.22 MIX WATER. ALSO PUMPED 1300 SX (340 BBLS) OF EXTENDACEM 13.5 PPG. TAIL., 1.47 YLD., 6.98 MIX WATER. FLUSHED LINES. DROP PLUG AND DISPLACE W/145 BBLS H2O. FULL MUD RETURNS THROUGH OUT JOB BUT NO CEMENT TO SURFACE. LIFT PRESSURE 2900 PSI, BUMPED PLUG W/2900 PSI TO 4400 PSI. AT 08:13, 7/28/10, BLED BACK 2.0 BBLS, FLOATS HELD. |
| 08:30 | 09:30 | 1.0 RE PRESSURE TO 2000 PSI. HOLE FOR 1 HOUR.  |
| 09:30 | 10:00 | 0.5 NU TREE. FMC SERVICEMAN SET PACK OFF AND TEST TO 5000 PSI. OK  |
| 10:00 | 12:00 | 2.0 ND BOPE. CLEAN MUD TANKS.  |
| 12:00 | 06:00 | 18.0 RD/RT, DERRICK DOWN @ 14:30 HRS. MOVING RIG 0.3 MILES, FROM ECW 86-03 TO ECW 87-03 W/ RW JONES TRUCKING. 7/29/2010.   |
|       |       | FULL CREWS, NO ACCIDENTS.  |
|       |       | SAFETY MEETINGS, CEMENTING. ND BOPE.   |
|       |       | FUEL ON HAND 2579. FUEL USED 214.  |
|       |       | WEATHER; LIGHT RAIN, TEMP 68, DEW POINT 63, WINDS CALM, HUMIDITY 84, VISIBILITY 10 MI.   |
|       |       | TRANSFER 2579 GALLONS DIESEL FUEL @ 2.5789/GALLON.   |
|       |       | TRANSFER 249.93' (6 JTS) 11.6# N-80 LTC CASING AND 3 MKR. JT 39.75' P-110 11.6#.   |
| 06:00 |       | RELEASED RIG @ 12:00 HRS, 7/28/2010.   |
|       |       | CASING POINT COST \$586,451  |

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|  |   |  |
|--|---|--|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING  |   | <b>FORM 9</b>  |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.                     |   | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>UTU01304 |
| <b>1. TYPE OF WELL</b><br>Gas Well   |   | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>               |
| <b>2. NAME OF OPERATOR:</b><br>EOG Resources, Inc.   |   | <b>7. UNIT or CA AGREEMENT NAME:</b>                       |
| <b>3. ADDRESS OF OPERATOR:</b><br>1060 East Highway 40, Vernal, UT, 84078  |   | <b>8. WELL NAME and NUMBER:</b><br>East Chapita 86-03      |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>2063 FNL 0818 FWL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: SWNW Section: 03 Township: 09.0S Range: 23.0E Meridian: S  |   | <b>9. API NUMBER:</b><br>43047501980000                    |
| <b>PHONE NUMBER:</b><br>435 781-9111 Ext   |   | <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES     |
| <b>COUNTY:</b><br>UINTAH   |   | <b>STATE:</b><br>UTAH                                      |
| <b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>   |   |  |
| <b>TYPE OF SUBMISSION</b>  | <b>TYPE OF ACTION</b>   |  |
| <input type="checkbox"/> <b>NOTICE OF INTENT</b><br>Approximate date work will start:  | <input type="checkbox"/> <b>ACIDIZE</b>   |  |
| <input checked="" type="checkbox"/> <b>SUBSEQUENT REPORT</b><br>Date of Work Completion:<br>8/24/2010  | <input type="checkbox"/> <b>ALTER CASING</b>                                      |  |
| <input type="checkbox"/> <b>SPUD REPORT</b><br>Date of Spud:   | <input type="checkbox"/> <b>CASING REPAIR</b>                                     |  |
| <input type="checkbox"/> <b>DRILLING REPORT</b><br>Report Date:  | <input type="checkbox"/> <b>CHANGE TO PREVIOUS PLANS</b>                          |  |
|  | <input type="checkbox"/> <b>CHANGE TUBING</b>                                     |  |
|  | <input type="checkbox"/> <b>CHANGE WELL STATUS</b>                                |  |
|  | <input type="checkbox"/> <b>COMMINGLE PRODUCING FORMATIONS</b>                    |  |
|  | <input type="checkbox"/> <b>DEEPEN</b>  |  |
|  | <input type="checkbox"/> <b>FRACTURE TREAT</b>                                    |  |
|  | <input type="checkbox"/> <b>OPERATOR CHANGE</b>                                   |  |
|  | <input type="checkbox"/> <b>PLUG AND ABANDON</b>                                  |  |
|  | <input checked="" type="checkbox"/> <b>PRODUCTION START OR RESUME</b>             |  |
|  | <input type="checkbox"/> <b>RECLAMATION OF WELL SITE</b>                          |  |
|  | <input type="checkbox"/> <b>REPERFORATE CURRENT FORMATION</b>                     |  |
|  | <input type="checkbox"/> <b>SIDETRACK TO REPAIR WELL</b>                          |  |
|  | <input type="checkbox"/> <b>TUBING REPAIR</b>                                     |  |
|  | <input type="checkbox"/> <b>VENT OR FLARE</b>                                     |  |
|  | <input type="checkbox"/> <b>WATER SHUTOFF</b>                                     |  |
|  | <input type="checkbox"/> <b>SI TA STATUS EXTENSION</b>                            |  |
|  | <input type="checkbox"/> <b>WILDCAT WELL DETERMINATION</b>                        |  |
|  | <input type="checkbox"/> <b>OTHER:</b> <input style="width: 100px;" type="text"/> |  |
| <b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b><br>The referenced well was turned to sales on August 24, 2010. Please see the attached operations summary report for drilling and completion operations performed on the subject well. |   |  |
| <b>Accepted by the</b><br><b>Utah Division of</b><br><b>Oil, Gas and Mining</b><br><b>FOR RECORD ONLY</b><br>August 25, 2010   |   |  |
| <b>NAME (PLEASE PRINT)</b><br>Michelle Robles  | <b>PHONE NUMBER</b><br>307 276-4842   | <b>TITLE</b><br>Regulatory Assistant                       |
| <b>SIGNATURE</b><br>N/A  | <b>DATE</b><br>8/25/2010  |  |

# WELL CHRONOLOGY REPORT

Report Generated On: 08-25-2010

|                      |  |                  |              |                      |            |
|----------------------|--|------------------|--------------|----------------------|------------|
| <b>Well Name</b>     | ECW 086-03                                     | <b>Well Type</b> | DEVG         | <b>Division</b>      | DENVER     |
| <b>Field</b>         | CHAPITA DEEP                                   | <b>API #</b>     | 43-047-50198 | <b>Well Class</b>    | 1SA        |
| <b>County, State</b> | UINTAH, UT                                     | <b>Spud Date</b> | 07-21-2010   | <b>Class Date</b>    | 08-24-2010 |
| <b>Tax Credit</b>    | N  | <b>TVD / MD</b>  | 9,380/ 9,380 | <b>Property #</b>    | 063931     |
| <b>Water Depth</b>   | 0  | <b>Last CSG</b>  | 2.375        | <b>Shoe TVD / MD</b> | 0/ 0       |
| <b>KB / GL Elev</b>  | 5,009/ 4,987                                   |                  |              |                      |            |
| <b>Location</b>      | SECTION 3, T9S, R23E, SWNW, 2063 FNL & 818 FWL |                  |              |                      |            |

|                 |                    |                    |                  |              |       |
|-----------------|--------------------|--------------------|------------------|--------------|-------|
| <b>Event No</b> | 1.0                | <b>Description</b> | DRILL & COMPLETE |              |       |
| <b>Operator</b> | EOG RESOURCES, INC | <b>WI %</b>        | 100.0            | <b>NRI %</b> | 84.75 |

|                              |                    |                   |               |                        |                  |
|------------------------------|--------------------|-------------------|---------------|------------------------|------------------|
| <b>AFE No</b>                | 306589             | <b>AFE Total</b>  | 1,518,900     | <b>DHC / CWC</b>       | 601,600/ 917,300 |
| <b>Rig Contr</b>             | TRUE               | <b>Rig Name</b>   | TRUE #34      | <b>Start Date</b>      | 11-18-2008       |
| <b>11-18-2008</b>            | <b>Reported By</b> | SHEILA MALLOY     |               |                        |                  |
| <b>Daily Costs: Drilling</b> | \$0                | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$0              |
| <b>Cum Costs: Drilling</b>   | \$0                | <b>Completion</b> | \$0           | <b>Well Total</b>      | \$0              |
| <b>MD</b>                    | 0                  | <b>TVD</b>        | 0             | <b>Progress</b>        | 0                |
| <b>Days</b>                  | 0                  | <b>MW</b>         | 0.0           | <b>Visc</b>            | 0.0              |
| <b>Formation :</b>           | <b>PBTD : 0.0</b>  |                   | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |                  |

Activity at Report Time: LOCATION DATA

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | LOCATION DATA   |
|       |       |      | 2063' FNL & 818' FWL (SW/NW)  |
|       |       |      | SECTION 3, T9S, R23E  |
|       |       |      | UINTAH COUNTY, UTAH   |
|       |       |      | LAT 40.066317, LONG 109.319697 (NAD 83)   |
|       |       |      | LAT 40.066350, LONG 109.319019 (NAD 27)   |
|       |       |      | TRUE #34  |
|       |       |      | OBJECTIVE: 9380' TD, MESAVERDE  |
|       |       |      | DW/GAS  |
|       |       |      | EAST CHAPITA PROSPECT   |
|       |       |      | DD&A: CHAPITA DEEP  |
|       |       |      | NATURAL BUTTES FIELD  |
|       |       |      | LEASE: U-01304  |
|       |       |      | ELEVATION: 4996.4' NAT GL, 4987.4' PREP GL (DUE TO ROUNDING PREP GL WILL BE 4987') 5006' KB (19') |
|       |       |      | EOG WI 100%, NRI 84.75%   |

06-14-2010      Reported By      TERRY CSERE

**RECEIVED** August 25, 2010

|                             |                   |                   |               |                        |          |
|-----------------------------|-------------------|-------------------|---------------|------------------------|----------|
| <b>DailyCosts: Drilling</b> | \$75,000          | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$75,000 |
| <b>Cum Costs: Drilling</b>  | \$75,000          | <b>Completion</b> | \$0           | <b>Well Total</b>      | \$75,000 |
| <b>MD</b>                   | 0                 | <b>TVD</b>        | 0             | <b>Progress</b>        | 0        |
| <b>Days</b>                 | 0                 | <b>MW</b>         | 0.0           | <b>Visc</b>            | 0.0      |
| <b>Formation :</b>          | <b>PBTD : 0.0</b> |                   | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |          |

Activity at Report Time: BUILD LOCATION

| Start | End   | Hrs  | Activity Description              |
|-------|-------|------|-----------------------------------|
| 06:00 | 06:00 | 24.0 | LOCATION STARTED TODAY 6/14/2010. |

06-15-2010 Reported By TERRY CSERE

|                             |                   |                   |               |                        |          |
|-----------------------------|-------------------|-------------------|---------------|------------------------|----------|
| <b>DailyCosts: Drilling</b> | \$0               | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$0      |
| <b>Cum Costs: Drilling</b>  | \$75,000          | <b>Completion</b> | \$0           | <b>Well Total</b>      | \$75,000 |
| <b>MD</b>                   | 0                 | <b>TVD</b>        | 0             | <b>Progress</b>        | 0        |
| <b>Days</b>                 | 0                 | <b>MW</b>         | 0.0           | <b>Visc</b>            | 0.0      |
| <b>Formation :</b>          | <b>PBTD : 0.0</b> |                   | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |          |

Activity at Report Time: BUILD LOCATION

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|------------------------|
| 06:00 | 06:00 | 24.0 | LOCATION 40% COMPLETE. |

06-16-2010 Reported By ROBERT WILKINS

|                             |                   |                   |               |                        |          |
|-----------------------------|-------------------|-------------------|---------------|------------------------|----------|
| <b>DailyCosts: Drilling</b> | \$0               | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$0      |
| <b>Cum Costs: Drilling</b>  | \$75,000          | <b>Completion</b> | \$0           | <b>Well Total</b>      | \$75,000 |
| <b>MD</b>                   | 0                 | <b>TVD</b>        | 0             | <b>Progress</b>        | 0        |
| <b>Days</b>                 | 0                 | <b>MW</b>         | 0.0           | <b>Visc</b>            | 0.0      |
| <b>Formation :</b>          | <b>PBTD : 0.0</b> |                   | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |          |

Activity at Report Time: BUILD LOCATION

| Start | End   | Hrs  | Activity Description |
|-------|-------|------|----------------------|
| 06:00 | 06:00 | 24.0 | LOCATION & ROAD 50%. |

06-17-2010 Reported By TERRY CSERE

|                             |                   |                   |               |                        |          |
|-----------------------------|-------------------|-------------------|---------------|------------------------|----------|
| <b>DailyCosts: Drilling</b> | \$0               | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$0      |
| <b>Cum Costs: Drilling</b>  | \$75,000          | <b>Completion</b> | \$0           | <b>Well Total</b>      | \$75,000 |
| <b>MD</b>                   | 0                 | <b>TVD</b>        | 0             | <b>Progress</b>        | 0        |
| <b>Days</b>                 | 0                 | <b>MW</b>         | 0.0           | <b>Visc</b>            | 0.0      |
| <b>Formation :</b>          | <b>PBTD : 0.0</b> |                   | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |          |

Activity at Report Time: BUILD LOCATION

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|------------------------|
| 06:00 | 06:00 | 24.0 | LOCATION 60% COMPLETE. |

06-18-2010 Reported By TERRY CSERE/KENT DEVENPORT

|                             |                   |                   |               |                        |          |
|-----------------------------|-------------------|-------------------|---------------|------------------------|----------|
| <b>DailyCosts: Drilling</b> | \$0               | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$0      |
| <b>Cum Costs: Drilling</b>  | \$75,000          | <b>Completion</b> | \$0           | <b>Well Total</b>      | \$75,000 |
| <b>MD</b>                   | 60                | <b>TVD</b>        | 60            | <b>Progress</b>        | 0        |
| <b>Days</b>                 | 0                 | <b>MW</b>         | 0.0           | <b>Visc</b>            | 0.0      |
| <b>Formation :</b>          | <b>PBTD : 0.0</b> |                   | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |          |

Activity at Report Time: BUILD LOCATION/SPUD NOTIFICATION

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | CRAIGS ROUSTABOUT SERVICE SPUD A 20" HOLE ON 6/18/10 @ 9:00 AM. SET +/-60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE MESSAGE AND BLM WAS NOTIFIED BY EMAIL OF SPUD ON 6/17/10 @ 9:03 AM. |

LOCATION 70% COMPLETE.

|   |       |             |                        |             |   |      |   |             |     |          |     |                 |  |
|---|-------|-------------|------------------------|-------------|---|------|---|-------------|-----|----------|-----|-----------------|--|
| 06-21-2010                              |       | Reported By |                        | TERRY CSERE |   |      |   |             |     |          |     |                 |  |
| DailyCosts: Drilling                    |       | \$0         |                        | Completion  |   | \$0  |   | Daily Total |     | \$0      |     |                 |  |
| Cum Costs: Drilling                     |       | \$75,000    |                        | Completion  |   | \$0  |   | Well Total  |     | \$75,000 |     |                 |  |
| MD                                      | 60    | TVD         | 60                     | Progress    | 0 | Days | 0 | MW          | 0.0 | Visc     | 0.0 |                 |  |
| Formation :                             |       |             |                        | PBTD : 0.0  |   |      |   | Perf :      |     |          |     | PKR Depth : 0.0 |  |
| Activity at Report Time: BUILD LOCATION |       |             |                        |             |   |      |   |             |     |          |     |                 |  |
| Start                                   | End   | Hrs         | Activity Description   |             |   |      |   |             |     |          |     |                 |  |
| 06:00                                   | 06:00 | 24.0        | LOCATION 80% COMPLETE. |             |   |      |   |             |     |          |     |                 |  |

|   |       |             |                        |             |   |      |   |             |     |          |     |                 |  |  |  |
|---|-------|-------------|------------------------|-------------|---|------|---|-------------|-----|----------|-----|-----------------|--|--|--|
| 06-22-2010                              |       | Reported By |                        | TERRY CSERE |   |      |   |             |     |          |     |                 |  |  |  |
| DailyCosts: Drilling                    |       | \$0         |                        | Completion  |   | \$0  |   | Daily Total |     | \$0      |     |                 |  |  |  |
| Cum Costs: Drilling                     |       | \$75,000    |                        | Completion  |   | \$0  |   | Well Total  |     | \$75,000 |     |                 |  |  |  |
| MD                                      | 60    | TVD         | 60                     | Progress    | 0 | Days | 0 | MW          | 0.0 | Visc     | 0.0 |                 |  |  |  |
| Formation :                             |       |             |                        | PBTD : 0.0  |   |      |   | Perf :      |     |          |     | PKR Depth : 0.0 |  |  |  |
| Activity at Report Time: BUILD LOCATION |       |             |                        |             |   |      |   |             |     |          |     |                 |  |  |  |
| Start                                   | End   | Hrs         | Activity Description   |             |   |      |   |             |     |          |     |                 |  |  |  |
| 06:00                                   | 06:00 | 24.0        | LOCATION 90% COMPLETE. |             |   |      |   |             |     |          |     |                 |  |  |  |

|   |       |             |  |             |   |      |   |             |     |          |     |                 |  |  |  |
|---|-------|-------------|--|-------------|---|------|---|-------------|-----|----------|-----|-----------------|--|--|--|
| 06-23-2010                              |       | Reported By |  | TERRY CSERE |   |      |   |             |     |          |     |                 |  |  |  |
| DailyCosts: Drilling                    |       | \$0         |  | Completion  |   | \$0  |   | Daily Total |     | \$0      |     |                 |  |  |  |
| Cum Costs: Drilling                     |       | \$75,000    |  | Completion  |   | \$0  |   | Well Total  |     | \$75,000 |     |                 |  |  |  |
| MD                                      | 60    | TVD         | 60                                       | Progress    | 0 | Days | 0 | MW          | 0.0 | Visc     | 0.0 |                 |  |  |  |
| Formation :                             |       |             |  | PBTD : 0.0  |   |      |   | Perf :      |     |          |     | PKR Depth : 0.0 |  |  |  |
| Activity at Report Time: BUILD LOCATION |       |             |  |             |   |      |   |             |     |          |     |                 |  |  |  |
| Start                                   | End   | Hrs         | Activity Description                     |             |   |      |   |             |     |          |     |                 |  |  |  |
| 06:00                                   | 06:00 | 24.0        | LOCATION COMPLETE. STARTING CLOSED LOOP. |             |   |      |   |             |     |          |     |                 |  |  |  |

|   |       |             |                           |             |   |        |   |                 |     |          |     |
|---|-------|-------------|---------------------------|-------------|---|--------|---|-----------------|-----|----------|-----|
| 06-24-2010                              |       | Reported By |                           | TERRY CSERE |   |        |   |                 |     |          |     |
| DailyCosts: Drilling                    |       | \$0         |                           | Completion  |   | \$0    |   | Daily Total     |     | \$0      |     |
| Cum Costs: Drilling                     |       | \$75,000    |                           | Completion  |   | \$0    |   | Well Total      |     | \$75,000 |     |
| MD                                      | 60    | TVD         | 60                        | Progress    | 0 | Days   | 0 | MW              | 0.0 | Visc     | 0.0 |
| Formation :                             |       | PBTD : 0.0  |                           |             |   | Perf : |   | PKR Depth : 0.0 |     |          |     |
| Activity at Report Time: BUILD LOCATION |       |             |                           |             |   |        |   |                 |     |          |     |
| Start                                   | End   | Hrs         | Activity Description      |             |   |        |   |                 |     |          |     |
| 06:00                                   | 06:00 | 24.0        | CLOSED LOOP 80% COMPLETE. |             |   |        |   |                 |     |          |     |

|   |    |             |    |             |   |      |   |             |     |                 |     |
|---|----|-------------|----|-------------|---|------|---|-------------|-----|-----------------|-----|
| 06-25-2010                              |    | Reported By |    | TERRY CSERE |   |      |   |             |     |                 |     |
| DailyCosts: Drilling                    |    | \$0         |    | Completion  |   | \$0  |   | Daily Total |     | \$0             |     |
| Cum Costs: Drilling                     |    | \$75,000    |    | Completion  |   | \$0  |   | Well Total  |     | \$75,000        |     |
| MD                                      | 60 | TVD         | 60 | Progress    | 0 | Days | 0 | MW          | 0.0 | Visc            | 0.0 |
| Formation :                             |    |             |    | PBTD : 0.0  |   |      |   | Perf :      |     | PKR Depth : 0.0 |     |
| Activity at Report Time: BUILD LOCATION |    |             |    |             |   |      |   |             |     |                 |     |

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | LOCATION COMPLETE. CRAIG'S ROUSTABOUT SERVICE SPUDS A 20" HOLE ON 6/18/2010 @ 09:00 AM. SET +/-60' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. CAROL DANIELS W/UDOGM WAS NOTIFIED BY PHONE MESSAGE AND BLM WAS NOTIFIED BY EMAIL OF SPUD ON 6/18/10 @ 09:00 AM. NOTIFICATIONS SENT ON 6/16/2010. |

**07-03-2010**      **Reported By**      DAVID GREESON

|                                      |                   |                   |               |                        |           |
|--------------------------------------|-------------------|-------------------|---------------|------------------------|-----------|
| <b>Daily Costs: Drilling</b>         | \$211,504         | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$211,504 |
| <b>Cum Costs: Drilling</b>           | \$286,504         | <b>Completion</b> | \$0           | <b>Well Total</b>      | \$286,504 |
| <b>MD</b>                            | 2,629             | <b>TVD</b>        | 2,629         | <b>Progress</b>        | 0         |
| <b>Days</b>                          | 0                 | <b>MW</b>         | 0.0           | <b>Visc</b>            | 0.0       |
| <b>Formation :</b>                   | <b>PBTD : 0.0</b> |                   | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |           |
| <b>Activity at Report Time: WORT</b> |                   |                   |               |                        |           |

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | MIRU CRAIG'S AIR RIG #2 ON 6/26/2010. DRILLED 12-1/4" HOLE TO 2610' GL (2629' KB). ENCOUNTERED NO WATER. DRILLED WITH AIR TO 1920', PUMP DRILLED TO 2610' GL. PARTIAL RETURNS THROUGHOUT DRILLING. RAN 61 JTS (2599.93') OF 9-5/8", 36.0#, J-55, STC CASING WITH HALLIBURTON GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2618.93' KB. RAN 200' 1" PIPE DOWN BACK SIDE. RDMO CRAIGS RIG #2. |

MIRU HALLIBURTON CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 5000 PSIG. PUMPED 150 BBLS FRESH WATER FLUSH AHEAD OF CEMENT. LEAD: MIXED AND PUMPED 250 SACKS (183 BBLS) OF PREMIUM LEAD CEMENT WITH 0.2% VARSET 2% CALSEAL, AND 2% EX-1. MIXED LEAD @ 10.5 PPG W/ YIELD OF 4.1 CFS. FULL TO PARTIAL RETURNS THROUGH OUT PUMPING. TAIL: MIXED AND PUMPED 300 SACKS (64 BBLS) OF PREMIUM CEMENT W/ 2% CACL. MIXED CEMENT @ 15.6 PPG W/ YIELD OF 1.2 CF/SX. DISPLACED CEMENT W/197.5 BBLS FRESH WATER. BUMPED PLUG W/1000 PSI @ 22:02, 7/1/10. FLOATS HELD. NO RETURNS OF CEMENT TO SURFACE. WATER FELL DOWN TO 6' BELOW SURFACE AFTER PUMPING STOPPED. WAIT 1 HOUR BEFORE TOP JOB.

TOP JOB # 1: DOWN 200' OF 1' PIPE, MIXED & PUMPED 150 SX (32 BBLS) OF PREMIUM CEMENT W/2% CACL2. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.17 CF/SX. CEMENT RETURNED TO SURFACE AFTER 25 BBLS PUMPED. HOLE STOOD FULL WHEN PUMPING STOPPED. RELEASE HALLIBURTON.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

CRAIGS RIG 2 TOOK SURVEYS WHILE DRILLING HOLE @ 1500' = 0.75 DEGREE, 2010' = 0.5 DEGREE & 2610' = 0 DEGREE.

DAVID GREESON NOTIFIED BLM VIA EMAIL OF THE SURFACE CASING & CEMENT JOB ON 6/30/2010 @ 09:20 AM. DAVID GREESON NOTIFIED CAROL DANIELS WITH UDOGM OF THE SURFACE CASING AND CEMENT VIA PHONE ON 6/30/10 AT 10:30 AM.

**07-22-2010**      **Reported By**      DAVID GREESON

|                              |                   |                   |               |                        |           |
|------------------------------|-------------------|-------------------|---------------|------------------------|-----------|
| <b>Daily Costs: Drilling</b> | \$91,060          | <b>Completion</b> | \$0           | <b>Daily Total</b>     | \$91,060  |
| <b>Cum Costs: Drilling</b>   | \$377,565         | <b>Completion</b> | \$0           | <b>Well Total</b>      | \$377,565 |
| <b>MD</b>                    | 2,629             | <b>TVD</b>        | 2,629         | <b>Progress</b>        | 0         |
| <b>Days</b>                  | 0                 | <b>MW</b>         | 0.0           | <b>Visc</b>            | 0.0       |
| <b>Formation :</b>           | <b>PBTD : 0.0</b> |                   | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |           |

**Activity at Report Time: TESTING BOPE**

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 06:00 | 03:00 | 21.0 | MOVE RIG FROM THE ECW 82-03 TO THE ECW 86-03, 0.6 MILES. TRUCKS BEGAN MOVE AT 7:00. DERRICK WAS IN THE AIR AT 17:00 AND TRUCKS WERE RELEASED AT 18:00, 7/21/10. RURT. NU BOPE. RIG ACCEPTED AT 02:30 HRS 07/22/2010. |



03:00 06:00 3.0 HELD PJSM WITH B & C QUICK TEST, INC. RU AND TEST PIPE RAMS, BLIND RAM, UPPER & LOWER KELLY & INSIDE BOP 250 LOW FOR 5 MIN./ 5000 PSI HIGH 10 MIN. TEST ANNULAR PREVENTER 250 LOW FOR 5 MIN./2500 HIGH PSI FOR 10 MINUTES. ALL TESTS HELD.

FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED.

SAFETY MEETINGS: RIG MOVE SAFETY/ TESTING BOP.

FUEL RECEIVED: 8000 GL. ON HAND: 10,260 GL. USED: 134 GL.

NOTIFIED BLM VIA EMAIL AND CAROL DANIELS OF UDOGM VIA PHONE ON 7/20/10 OF INTENT TO TEST BOPE ON THE ECW 86-03 AT 04:00 ON 7/22/10.

TRANSFERRED 2394 GL FUEL, 5 JT'S (211.0") 4.5", 11.6# N-80 CASING AND 2 JT'S (30.37') 4.5", 11.6# P-110 MARKER JOINTS FROM THE ECW 82-03 TO THE 86-03 ON 7/21/10.

07-23-2010 Reported By DAVID GREESON

DailyCosts: Drilling \$33,362 Completion \$0 Daily Total \$33,362

Cum Costs: Drilling \$410,928 Completion \$0 Well Total \$410,928

MD 4,700 TVD 4,700 Progress 2,081 Days 1 MW 10.4 Visc 40.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 4700'

| Start | End   | Hrs | Activity Description   |
|-------|-------|-----|--|
| 06:00 | 06:30 | 0.5 | HELD PJSM WITH B & C QUICK TEST, INC. RU AND TEST PIPE RAMS, BLIND RAM, UPPER & LOWER KELLY & INSIDE BOP 250 LOW FOR 5 MIN./ 5000 PSI HIGH 10 MIN. TEST ANNULAR PREVENTER 250 LOW FOR 5 MIN./2500 HIGH PSI FOR 10 MINUTES. TEST SUPER CHOKE @ 500 PSI FOR 5 MIN. ALL TESTS HELD. |
| 06:30 | 07:00 | 0.5 | TEST CASING @ 1500 PSI FOR 30 MIN. TEST HELD.  |
| 07:00 | 07:30 | 0.5 | INSTALL WEAR BUSHING.  |
| 07:30 | 08:00 | 0.5 | RU FRANKS WESTATES LD MACHINE TOOLS. HELD SAFETY MEETING W/ ALL PRESENT OVER SAFE BHA AND PIPE PICKUP.   |
| 08:00 | 11:00 | 3.0 | PU BHA #1 & DP. TAG AT 2562'.  |
| 11:00 | 12:00 | 1.0 | RD LAYDOWN MACHINE TOOLS. INSTALL ROT. RUBBER. KELLY UP.   |
| 12:00 | 13:00 | 1.0 | DRILL CEMENT, FLOAT EQUIPMENT AND 12' OF NEW HOLE.<br><5K WOB. 120 STK. ON #2 PUMP 454 GPM. 50 RPM AND 73 RPM MM.  |
| 13:00 | 13:30 | 0.5 | CIRCUALTE BOTTOMS UP TWICE, PUMP HIGH VIS SWEEP. PERFORM FIT TEST @ 2610' W/ A 10.2 MUD WT. TO 220 PSI= 11.8 EMW.  |
| 13:30 | 14:00 | 0.5 | DRILL F/ 2642' TO 2705' (63') 126' FPH, 55 RPM + 73 MOTOR, WOB 15K, PUMP 454 GPM @ 120 SPM ON #2 PUMP. SPP 1800, MUD WEIGHT 10.2, VIS 38. FORMATION: MAHOGANY OIL SHALE 2.632'.  |
| 14:00 | 14:30 | 0.5 | SERVICE RIG. CHECK COM DRILLING.   |
| 14:30 | 15:00 | 0.5 | SURVEY@ 2,624'; 0.14 DEGREE.   |
| 15:00 | 22:30 | 7.5 | DRILL F/ 2705' TO 3765' (1060') 141' FPH, 55 RPM + 73 MOTOR, WOB 18K, PUMP 454 GPM @ 120 SPM ON PUMP #2, SPP 1900, MUD WEIGHT 10.2, VIS 38.<br>FORMATION: MAHOGANY OIL SHALE @ 2.632'.   |
| 22:30 | 23:00 | 0.5 | SURVEY@ 3650': 1.53 DEGREE.  |
| 23:00 | 06:00 | 7.0 | DRILL F/ 3765' TO 4700' (935') 134' FPH, 55 RPM + 73 MOTOR, WOB 18K, PUMP 454 GPM @ 120 SPM ON PUMP #2, SPP 2200, MUD WEIGHT 10.4, VIS 38.   |

FORMATION: MAHOGANY OIL SHALE @ 2.632'; WASATCH 4,867'.

FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED.

SAFETY MEETINGS: WORKING ON PUMPS/ PROPER TOOLS.

CHECK COM DRILLING. BOP TEST 85 SECONDS.

FUEL ON HAND: 9177 GL. USED: 1083 GL.

06:00

SPUD 7 7/8" HOLE AT 13:30 HRS, 7/22/10.

**07-24-2010**      **Reported By**      DAVID GREESON**Daily Costs: Drilling**      \$31,377      **Completion**      \$543      **Daily Total**      \$31,920**Cum Costs: Drilling**      \$442,305      **Completion**      \$543      **Well Total**      \$442,848**MD**      6,530      **TVD**      6,530      **Progress**      1,830      **Days**      2      **MW**      10.6      **Visc**      40.0**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0****Activity at Report Time:** DRILLING @ 6,530'

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 06:30 | 0.5  | DRILL F/4700' TO 4733' (33') 66' FPH, 55 RPM + 73 MOTOR, WOB 18K, PUMP 454 GPM @ 120 SPM ON PUMP #2, SPP 2200, MUD WEIGHT 10.4, VIS 38 .<br>FORMATION: WASATCH 4,867'.      |
| 06:30 | 07:00 | 0.5  | SURVEY @ 4648'; 3.17 DEGREE.  |
| 07:00 | 10:00 | 3.0  | DRILL F/4733' TO 5050' (317') 106' FPH, 55 RPM + 73 MOTOR, WOB 18K, PUMP 454 GPM @ 120 SPM ON PUMP #2, SPP 2200, MUD WEIGHT 10.4, VIS 38 .<br>FORMATION: WASATCH 4,867'.    |
| 10:00 | 10:30 | 0.5  | SERVICE RIG. CHANGE OUT AIR HOSE TO MOTOR CLUTCH. LUBE RIG.   |
| 10:30 | 06:00 | 19.5 | DRILL F/5050' TO 6530' (1480') 76' FPH, 50 RPM + 73 MOTOR, WOB 20K, PUMP 454 GPM @ 120 SPM ON PUMP #2, SPP 2250, MUD WEIGHT 10.6, VIS 40 .<br>FORMATION: NORTH HORN 6,684'. |

FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED.

SAFETY MEETINGS: MAKING CONNECTIONS/ GOOD HOUSEKEEPING.

CHECK COM DRILLING. BOP TEST 85 SECONDS.

FUEL ON HAND: 7866 GL. USED: 1311 GL.

**07-25-2010**      **Reported By**      DAVID GREESON**Daily Costs: Drilling**      \$22,055      **Completion**      \$5,996      **Daily Total**      \$28,052**Cum Costs: Drilling**      \$464,361      **Completion**      \$6,539      **Well Total**      \$470,900**MD**      7,920      **TVD**      7,920      **Progress**      1,390      **Days**      3      **MW**      11.2      **Visc**      40.0**Formation :**      **PBTD : 0.0**      **Perf :**      **PKR Depth : 0.0****Activity at Report Time:** DRILLING@ 7,920'

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 16:00 | 10.0 | DRILL F/6530' TO 7174' (644') 64' FPH, 50 RPM + 71 MOTOR, WOB 20K, PUMP 446 GPM @ 118 SPM ON PUMP #2, SPP 2450, MUD WEIGHT 10.9, VIS 40 .<br>FORMATION: NORTH HORN 6,684'; PRICE RIVER 7,128'.  |
| 16:00 | 16:30 | 0.5  | SERVICE RIG. CHECK COM DRILLING.  |
| 16:30 | 06:00 | 13.5 | DRILL F/7174' TO 7920' (746') 55' FPH, 50 RPM + 67 MOTOR, WOB 20K, PUMP 419 GPM @ 120 SPM ON PUMP #1, SPP 2350, MUD WEIGHT 11.2, VIS 40 .<br><br>FORMATION: PRICE RIVER 7,128'; MIDDLE PRICE 7,843'<br>FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED.<br>SAFETY MEETINGS: PUMP MAINTENANCE/ CLEANING LIGHTPLANT<br>CHECK COM DRILLING. BOP TEST 82 SECONDS.<br>FUEL ON HAND: 6384 GL. USED: 1482 GL. |

07-26-2010 Reported By DAVID GREESON

|                              |           |                   |         |                    |           |
|------------------------------|-----------|-------------------|---------|--------------------|-----------|
| <b>Daily Costs: Drilling</b> | \$39,941  | <b>Completion</b> | \$0     | <b>Daily Total</b> | \$39,941  |
| <b>Cum Costs: Drilling</b>   | \$504,303 | <b>Completion</b> | \$6,539 | <b>Well Total</b>  | \$510,842 |

|           |       |            |       |                 |     |             |   |           |      |             |      |
|-----------|-------|------------|-------|-----------------|-----|-------------|---|-----------|------|-------------|------|
| <b>MD</b> | 8,458 | <b>TVD</b> | 8,458 | <b>Progress</b> | 538 | <b>Days</b> | 4 | <b>MW</b> | 11.5 | <b>Visc</b> | 40.0 |
|-----------|-------|------------|-------|-----------------|-----|-------------|---|-----------|------|-------------|------|

|                    |                   |               |                        |
|--------------------|-------------------|---------------|------------------------|
| <b>Formation :</b> | <b>PBTD : 0.0</b> | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |
|--------------------|-------------------|---------------|------------------------|

Activity at Report Time: WASH/REAM TO BOTTOM @ 8,458'

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 17:00 | 11.0 | DRILL F/7920' TO 8458' (538') 49' FPH, 50 RPM + 67 MOTOR, WOB 20K, PUMP 419 GPM @ 120 SPM ON PUMP #1, SPP 2350, MUD WEIGHT 11.5, VIS 41.<br>FORMATION: MIDDLE PRICE 7,843'; LOWER PRICE 8,636'. |
| 17:00 | 17:30 | 0.5  | SERVICE RIG. CIRCULATE BOTTOMS UP.  |
| 17:30 | 18:00 | 0.5  | PUMP HIGH VIS. SWEEP AND CIRCULATE BOTTOMS UP. PUMP 30 BBL 13.0 PPG DRYJOB SLUG.  |
| 18:00 | 23:00 | 5.0  | TRIP FOR BIT #2 AT 8,458'. TIGHT SPOTS AT 5585'-5445', 4707'-4464'.   |
| 23:00 | 00:00 | 1.0  | LD BIT AND ROLLER REAMERS. PU BHA #2.   |
| 00:00 | 02:00 | 2.0  | TRIP IN THE HOLE WITH BHA #2. BREAK CIRCULATION AT 2646' and 4515'  |
| 02:00 | 03:30 | 1.5  | WASH AND REAM F/ 4471' TO 4515' AND FROM 4719' TO 4796'. 116 STK/MIN ON #2 PUMP. 438 GPM. 5-15K WOB. 55 RPM, 70 MM.   |
| 03:30 | 04:30 | 1.0  | TRIP IN THE HOLE TO 8388' AND KELLY UP.   |
| 04:30 | 06:00 | 1.5  | WASH AND REAM F/ 8388' TO 8458'. (70') 116 STK/MIN ON #2 PUMP. 438 GPM. 5-15K WOB. 55 RPM, 70 MM.   |

FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED.

SAFETY MEETINGS: HEAT EXHAUSTION/ MOVING EQUIPMENT.

CHECK COM DRILLING. BOP TEST 82 SECONDS.

FUEL ON HAND: 5244 GL. USED: 1140 GL.

07-27-2010 Reported By DAVID GREESON

|                              |           |                   |         |                    |           |
|------------------------------|-----------|-------------------|---------|--------------------|-----------|
| <b>Daily Costs: Drilling</b> | \$27,931  | <b>Completion</b> | \$0     | <b>Daily Total</b> | \$27,931  |
| <b>Cum Costs: Drilling</b>   | \$532,235 | <b>Completion</b> | \$6,539 | <b>Well Total</b>  | \$538,774 |

|           |       |            |       |                 |     |             |   |           |      |             |      |
|-----------|-------|------------|-------|-----------------|-----|-------------|---|-----------|------|-------------|------|
| <b>MD</b> | 9,290 | <b>TVD</b> | 9,290 | <b>Progress</b> | 832 | <b>Days</b> | 5 | <b>MW</b> | 12.0 | <b>Visc</b> | 41.0 |
|-----------|-------|------------|-------|-----------------|-----|-------------|---|-----------|------|-------------|------|

|                    |                   |               |                        |
|--------------------|-------------------|---------------|------------------------|
| <b>Formation :</b> | <b>PBTD : 0.0</b> | <b>Perf :</b> | <b>PKR Depth : 0.0</b> |
|--------------------|-------------------|---------------|------------------------|

Activity at Report Time: DRILLING @ 9,290'

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 15:00 | 9.0  | DRILL F/8458' TO 8848' (390') 43' FPH, 50 RPM + 67 MOTOR, WOB 20K, PUMP 419 GPM @ 120 SPM ON PUMP #1, SPP 2550, MUD WEIGHT 11.6, VIS 42.<br>FORMATION: LOWER PRICE 8,636'; SEGO 9,085'. |
| 15:00 | 15:30 | 0.5  | SERVICE RIG. FUNCTION PIPE RAMS AND CHOKE.  |
| 15:30 | 06:00 | 14.5 | DRILL F/8848' TO 9290' (442') 30' FPH, 45 RPM + 64 MOTOR, WOB 20K, PUMP 401 GPM @ 115 SPM ON PUMP #1, SPP 2550, MUD WEIGHT 12.0+, VIS 41.   |

FORMATION: LOWER PRICE 8,636'; SEGO 9,085'.

FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED.

SAFETY MEETINGS: THINKING SAFETY/ ELIMINATING HAZARDS.

CHECK COM DRILLING. BOP TEST 80 SECONDS.

FUNCTION BOP AND CHOKE.

FUEL ON HAND: 3762 GL. USED: 1482 GL.

07-28-2010 Reported By DAVID GREESON

|   |            |                   |  |                 |           |                    |   |                        |      |             |      |
|---|------------|-------------------|--|-----------------|-----------|--------------------|---|------------------------|------|-------------|------|
| <b>Daily Costs: Drilling</b>                            |            | \$43,908          | <b>Completion</b>  |                 | \$103,253 | <b>Daily Total</b> |   | \$147,162              |      |             |      |
| <b>Cum Costs: Drilling</b>                              |            | \$576,143         | <b>Completion</b>  |                 | \$109,792 | <b>Well Total</b>  |   | \$685,936              |      |             |      |
| <b>MD</b>   | 9,353      | <b>TVD</b>        | 9,353  | <b>Progress</b> | 63        | <b>Days</b>        | 6 | <b>MW</b>              | 12.0 | <b>Visc</b> | 40.0 |
| <b>Formation :</b>                                      |            | <b>PBTD : 0.0</b> |  |                 |           | <b>Perf :</b>      |   | <b>PKR Depth : 0.0</b> |      |             |      |
| <b>Activity at Report Time:</b> PREP TO CEMENT PROD CSG |            |                   |  |                 |           |                    |   |                        |      |             |      |
| <b>Start</b>  | <b>End</b> | <b>Hrs</b>        | <b>Activity Description</b>  |                 |           |                    |   |                        |      |             |      |
| 06:00   | 11:30      | 5.5               | DRILL F/9290' TO 9353' (60') 11' FPH, 45 RPM + 64 MOTOR, WOB 20–22K, PUMP 401 GPM @ 115 SPM ON PUMP #1, SPP 2550, MUD WEIGHT 12.0+, VIS 41. FORMATION DRILLED: SEGO 9,085'.<br><br>EXCESSIVE TORQUE ON TABLE W/ MORE THAN 22K WOB; ROP DROPPED TO 6'/HR.<br><br>NOTE: TD ADJUSTED TO 9350' @ 11:30 ON 7/27/10.<br>REACHED TD AT 11:30 HRS, 7/27/10.  |                 |           |                    |   |                        |      |             |      |
| 11:30   | 12:30      | 1.0               | PUMP 60 BBL HI–VIS SWEEP. CIRCULATE BOTTOMS UP BEFORE SHORT TRIP. PUMP DRYJOB PILL.  |                 |           |                    |   |                        |      |             |      |
| 12:30   | 13:30      | 1.0               | SHORT TRIP 10 STANDS. NO DRAG.   |                 |           |                    |   |                        |      |             |      |
| 13:30   | 14:00      | 0.5               | KELLY UP AT 9305'. BEGIN CIRCULATING. SERVICE RIG  |                 |           |                    |   |                        |      |             |      |
| 14:00   | 15:00      | 1.0               | PUMP 80 BBL 60+ HI–VIS SWEEP W/ SAWDUST MARKER, CIRCULATE 6900 STKS. FOR TOTAL CIRC.<br><br>HI VIS SWEEP CARRIED SOME FINE CUTTINGS AND SMALL AMOUNT OF SHALE SHARD.   |                 |           |                    |   |                        |      |             |      |
| 15:00   | 15:30      | 0.5               | RIG UP FRANKS WESTATES LD MACHINE. DROPPED SURVEY. HELD SAFETY MEETING OVER LD DP AND BHA W/ ALL ON LOCATION PRESENT. CASING POINT @ 15:30 ON 7/27/10.   |                 |           |                    |   |                        |      |             |      |
| 15:30   | 21:30      | 6.0               | PUMP DRYJOB SLUG. LD DRILL PIPE AND REMOVE ROT. HEAD RUBBER. BREAK KELLY. LD BHA.  |                 |           |                    |   |                        |      |             |      |
| 21:30   | 22:00      | 0.5               | PULL WEAR BUSHING.   |                 |           |                    |   |                        |      |             |      |
| 22:00   | 22:30      | 0.5               | HELD SAFETY MEETING OVER RUNNING CASING W/ ALL ON LOCATION PRESENT. RU FRANKS CASERS SERVICE TOOLS.  |                 |           |                    |   |                        |      |             |      |
| 22:30   | 04:30      | 6.0               | RAN 220 JTS. 4.5" 11.6# N–80 LT&C CASING. TAGGED BOTTOM W/ JOINT #221, LAYED IT BACK DOWN AND PICKED UP FLUTED CASING HANGER W/ LANDING JOINT. LANDED THE SHOE AT 9349.2'. TOPS OF HCP–110 MARKER JTS SET AT 7133.16' AND 4456.67'. LANDED W/ 90,000 ON HANGER.  |                 |           |                    |   |                        |      |             |      |
| 04:30   | 06:00      | 1.5               | CIRCULATE WHILE RD FRANKS LD MACHINE AND CASING TOOLS. RU HALLIBURTON CEMENTERS. HOLD SAFETY MEETING OVER CEMENTING W/ ALL PRESENT ON LOCATION.<br><br>NOTIFIED BLM VIA EMAIL AND CAROL DANIELS OF UDOGM ON 7/26/10 @ 10:00AM OF<br>INTENT TO RUN PROD. CASING ON 7/27/10 @ 10:00AM.<br>FULL CREWS, NO ACCIDENTS OR INCIDENTS REPORTED.<br>SAFETY MEETINGS: LAYING DOWN DP/ RUNNING CASING.<br>CHECK COM DRILLING AND TRIPPING. BOP TEST 80 SECONDS.<br>FUNCTION BOP AND CHOKE.<br>FUEL ON HAND: 2793 GL. USED: 969' GL. |                 |           |                    |   |                        |      |             |      |

|   |       |             |                      |            |   |           |   |                 |     |           |     |
|---|-------|-------------|----------------------|------------|---|-----------|---|-----------------|-----|-----------|-----|
| 07-29-2010                                  |       | Reported By |                      | GLEN PRUET |   |           |   |                 |     |           |     |
| Daily Costs: Drilling                       |       | \$15,689    |                      | Completion |   | \$70,973  |   | Daily Total     |     | \$86,662  |     |
| Cum Costs: Drilling                         |       | \$591,833   |                      | Completion |   | \$180,765 |   | Well Total      |     | \$772,599 |     |
| MD  | 9,350 | TVD         | 9,350                | Progress   | 0 | Days      | 7 | MW              | 0.0 | Visc      | 0.0 |
| Formation :                                 |       | PBTD : 0.0  |                      |            |   | Perf :    |   | PKR Depth : 0.0 |     |           |     |
| Activity at Report Time: RDRT/WO COMPLETION |       |             |                      |            |   |           |   |                 |     |           |     |
| Start                                       | End   | Hrs         | Activity Description |            |   |           |   |                 |     |           |     |

06:00 08:30 2.5 HALLIBURTON PRESSURE TEST PUMP & LINES TO 5000 PSI, CEMENT AS FOLLOWS: PUMP 20 BBLS MUD FLUSH, 20 BBLS FRESH WATER, MIX AND PUMP 560 SX (162 BBLS) HIBOND LEAD CMT. @ 12.5 PPG, 1.62 YLD., 8.22 MIX WATER. ALSO PUMPED 1300 SX (340 BBLS) OF EXTENDACEM 13.5 PPG. TAIL., 1.47 YLD., 6.98 MIX WATER. FLUSHED LINES. DROP PLUG AND DISPLACE W/145 BBLS H2O. FULL MUD RETURNS THROUGH OUT JOB BUT NO CEMENT TO SURFACE. LIFT PRESSURE 2900 PSI, BUMPED PLUG W/2900 PSI TO 4400 PSI. AT 08:13, 7/28/10, BLED BACK 2.0 BBLS, FLOATS HELD.

08:30 09:30 1.0 RE PRESSURE TO 2000 PSI. HOLE FOR 1 HOUR.

09:30 10:00 0.5 NU TREE. FMC SERVICEMAN SET PACK OFF AND TEST TO 5000 PSI. OK

10:00 12:00 2.0 ND BOPE. CLEAN MUD TANKS.

12:00 06:00 18.0 RD/RT, DERRICK DOWN @ 14:30 HRS. MOVING RIG 0.3 MILES, FROM ECW 86-03 TO ECW 87-03 W/ RW JONES TRUCKING. 7/29/2010.

FULL CREWS, NO ACCIDENTS.

SAFETY MEETINGS, CEMENTING. ND BOPE.

FUEL ON HAND 2579. FUEL USED 214.

WEATHER; LIGHT RAIN, TEMP 68, DEW POINT 63, WINDS CALM, HUMIDITY 84, VISIBILITY 10 MI.

TRANSFER 2579 GALLONS DIESEL FUEL @ 2.5789/GALLON.

TRANSFER 249.93' (6 JTS) 11.6# N-80 LTC CASING AND 3 MKR. JT 39.75' P-110 11.6#.

06:00 RELEASED RIG @ 12:00 HRS, 7/28/2010.  
CASING POINT COST \$586,451

|   |       |               |  |            |   |           |   |                 |     |           |     |
|---|-------|---------------|--|------------|---|-----------|---|-----------------|-----|-----------|-----|
| 08-03-2010                              |       | Reported By   |  | SEARLE     |   |           |   |                 |     |           |     |
| DailyCosts: Drilling                    |       | \$0           |  | Completion |   | \$29,300  |   | Daily Total     |     | \$29,300  |     |
| Cum Costs: Drilling                     |       | \$591,833     |  | Completion |   | \$210,065 |   | Well Total      |     | \$801,899 |     |
| MD                                      | 9,350 | TVD           | 9,350  | Progress   | 0 | Days      | 8 | MW              | 0.0 | Visc      | 0.0 |
| Formation :                             |       | PBTD : 7154.0 |  |            |   | Perf :    |   | PKR Depth : 0.0 |     |           |     |
| Activity at Report Time: PREP FOR FRACS |       |               |  |            |   |           |   |                 |     |           |     |
| Start                                   | End   | Hrs           | Activity Description   |            |   |           |   |                 |     |           |     |
| 06:00                                   | 06:00 | 24.0          | MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 800'. EST CEMENT TOP @ 970'. RDWL. |            |   |           |   |                 |     |           |     |

|  |       |               |   |            |   |           |   |                 |     |           |     |
|--|-------|---------------|---|------------|---|-----------|---|-----------------|-----|-----------|-----|
| 08-14-2010                             |       | Reported By   |   | MCCURDY    |   |           |   |                 |     |           |     |
| DailyCosts: Drilling                   |       | \$0           |   | Completion |   | \$1,843   |   | Daily Total     |     | \$1,843   |     |
| Cum Costs: Drilling                    |       | \$591,833     |   | Completion |   | \$211,908 |   | Well Total      |     | \$803,742 |     |
| MD                                     | 9,350 | TVD           | 9,350   | Progress   | 0 | Days      | 9 | MW              | 0.0 | Visc      | 0.0 |
| Formation :                            |       | PBTD : 7154.0 |   |            |   | Perf :    |   | PKR Depth : 0.0 |     |           |     |
| Activity at Report Time: WO COMPLETION |       |               |   |            |   |           |   |                 |     |           |     |
| Start                                  | End   | Hrs           | Activity Description  |            |   |           |   |                 |     |           |     |
| 06:00                                  | 06:00 | 24.0          | NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION. |            |   |           |   |                 |     |           |     |

|                               |       |             |               |            |   |                    |    |             |                 |           |     |
|-------------------------------|-------|-------------|---------------|------------|---|--------------------|----|-------------|-----------------|-----------|-----|
| 08-17-2010                    |       | Reported By |               | MCCURDY    |   |                    |    |             |                 |           |     |
| DailyCosts: Drilling          |       | \$0         |               | Completion |   | \$1,608            |    | Daily Total |                 | \$1,608   |     |
| Cum Costs: Drilling           |       | \$591,833   |               | Completion |   | \$213,516          |    | Well Total  |                 | \$805,350 |     |
| MD                            | 9,350 | TVD         | 9,350         | Progress   | 0 | Days               | 10 | MW          | 0.0             | Visc      | 0.0 |
| Formation : MESAVERDE         |       |             | PBTD : 7154.0 |            |   | Perf : 7412'-9170' |    |             | PKR Depth : 0.0 |           |     |
| Activity at Report Time: FRAC |       |             |               |            |   |                    |    |             |                 |           |     |

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | <p>STAGE 1. MIRU CUTTERS WIRELINE &amp; PERFORATE LPR FROM 8923'-24', 8934'-35', 8940'-41', 8951'-52', 8990'-91', 9013'-14', 9051'-52', 9084'-85', 9110'-11', 9131'-32', 9143'-44', 9157'-58', 9164'-65', 9169'-70' @ 2 SPF &amp; 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7402 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 34800 GAL 16# DELTA 200 W/110700# 20/40 SAND @ 2-4 PPG. MTP 6283 PSIG. MTR 51 BPM. ATP 5503 PSIG. ATR 47.7 BPM. ISIP 2644 PSIG. RD HALLIBURTON.</p> <p>STAGE 2. RUWL. SET 6K CFP AT 8810'. PERFORATE MPR / LPR FROM 8539'-40', 8546'-47', 8558'-59', 8572'-73', 8583'-84', 8614'-15', 8634'-35', 8645'-46', 8653'-54', 8675'-76', 8700'-01', 8724'-25', 8747'-48', 8782'-83' @ 2 SPF &amp; 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 3152 GAL 16# LINEAR W/3200# 20/40 SAND @ 1 PPG, 58417 GAL 16# DELTA 200 W/189200# 20/40 SAND @ 1.5-5 PPG. MTP 6820 PSIG. MTR 51.2 BPM. ATP 5172 PSIG. ATR 42.1 BPM. ISIP 3120 PSIG. RD HALLIBURTON.</p> <p>STAGE 3. RUWL. SET 6K CFP AT 8500'. PERFORATE MPR FROM 8323'-24', 8333'-34', 8344'-45', 8352'-53', 8368'-69', 8392'-93', 8419'-20', 8425'-26', 8436'-37', 8458'-59', 8463'-64', 8470'-71' @ 3 SPF &amp; 120 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7397 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 31918 GAL 16# DELTA 200 W/106100# 20/40 SAND @ 2-4 PPG. MTP 6142 PSIG. MTR 50.6 BPM. ATP 5137 PSIG. ATR 48.7 BPM. ISIP 3584 PSIG. RD HALLIBURTON.</p> <p>STAGE 4. RUWL. SET 6K CFP AT 8300'. PERFORATE MPR FROM 8072'-73', 8080'-81', 8089'-90', 8097'-98', 8106'-07', 8111'-12', 8122'-23', 8177'-78', 8181'-82', 8193'-94', 8252'-53', 8262'-63', 8272'-73', 8280'-81' @ 2 SPF &amp; 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7404 GAL 16# LINEAR W/9500# 20/40 SAND @ 1-1.5 PPG, 42756 GAL 16# DELTA 200 W/149700# 20/40 SAND @ 2-5 PPG. MTP 50.9 PSIG. MTR 50.9 BPM. ATP 5349 PSIG. ATR 46.2 BPM. ISIP 3141 PSIG. RD HALLIBURTON.</p> <p>STAGE 5. RUWL. SET 6K CFP AT 8035'. PERFORATE UPR / MPR FROM 7793'-94', 7806'-07', 7812'-13', 7845'-46', 7852'-53', 7876'-77', 7904'-05', 7925'-26', 7934'-35', 7943'-44', 7952'-53', 7968'-69', 7983'-84', 8016'-17' @ 2 SPF &amp; 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7611 GAL 16# LINEAR W/9700# 20/40 SAND @ 1-1.5 PPG, 40560 GAL 16# DELTA 200 W/141700# 20/40 SAND @ 2-5 PPG. MTP 6307 PSIG. MTR 50.7 BPM. ATP 5207 PSIG. ATR 45.3 BPM. ISIP 2532 PSIG. RD HALLIBURTON.</p> <p>STAGE 6. RUWL. SET 6K CFP AT 7690'. PERFORATE UPR FROM 7412'-13', 7419'-20', 7423'-24', 7460'-61', 7470'-71', 7494'-95', 7501'-02', 7510'-11', 7524'-25', 7534'-35', 7557'-58', 7595'-96', 7658'-59', 7667'-68' @ 2 SPF &amp; 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7439 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 34697 GAL 16# DELTA 200 W/119800# 20/40 SAND @ 2-5 PPG. MTP 6721 PSIG. MTR 50.9 BPM. ATP 4624 PSIG. ATR 47.3 BPM. ISIP 2341 PSIG. RD HALLIBURTON. SDFN.</p> |

|   |       |             |  |            |   |                    |    |             |                 |             |     |
|---|-------|-------------|--|------------|---|--------------------|----|-------------|-----------------|-------------|-----|
| 08-18-2010  |       | Reported By |  | MCCURDY    |   |                    |    |             |                 |             |     |
| DailyCosts: Drilling  |       | \$0         |  | Completion |   | \$375,038          |    | Daily Total |                 | \$375,038   |     |
| Cum Costs: Drilling   |       | \$591,833   |  | Completion |   | \$588,555          |    | Well Total  |                 | \$1,180,388 |     |
| MD  | 9,350 | TVD         | 9,350  | Progress   | 0 | Days               | 11 | MW          | 0.0             | Visc        | 0.0 |
| Formation : MESAVERDE   |       |             | PBTD : 7154.0  |            |   | Perf : 5412'-9170' |    |             | PKR Depth : 0.0 |             |     |
| Activity at Report Time: PREP TO MIRUSU FOR POST FRAC CLEAN OUT |       |             |  |            |   |                    |    |             |                 |             |     |
| Start   | End   | Hrs         | Activity Description   |            |   |                    |    |             |                 |             |     |
| 06:00   | 06:00 | 24.0        | STAGE 7. SICP 1892 PSIG. RUWL. SET 6K CFP AT 7380'. PERFORATE UPR FROM 7198'-99', 7207'-08', 7215'-16', 7223'-24', 7250'-51', 7265'-66', 7274'-75', 7284'-85', 7296'-97', 7304'-05', 7326'-27', 7338'-39', 7350'-51', 7359'-60' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7338 GAL 16# LINEAR W/9400# 20/40 SAND @ 1-1.5 PPG, 44438 GAL 16# DELTA 200 W/158300# 20/40 SAND @ 2-5 PPG. MTP 6108 PSIG. MTR 50.3 BPM. ATP 4201 PSIG. ATR 49.6 BPM. ISIP 2488 PSIG. RD HALLIBURTON. |            |   |                    |    |             |                 |             |     |



STAGE 8. RUWL. SET 6K CFP AT 7142'. PERFORATE NORTH HORN FROM 6802'-03', 6807'-08', 6930'-31', 6941'-42', 6947'-48', 6957'-58', 6967'-68', 7019'-20', 7046'-47', 7082'-83', 7090'-91', 7102'-03', 7112'-13', 7122'-23' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 165 GAL (WSI 7360), 7476 GAL 16# LINEAR W/9600# 20/40 SAND @ 1-1.5 PPG, 48533 GAL 16# DELTA 200 W/170500# 20/40 SAND @ 2-5 PPG. MTP 5082 PSIG. MTR 50.1 BPM. ATP 4002 PSIG. ATR 49.6 BPM. ISIP 2717 PSIG. RD HALLIBURTON.

STAGE 9. RUWL. SET 6K CFP AT 6762'. PERFORATE Ca / Ba FROM 6111'-12', 6137'-38', 6214'-15', 6223'-24', 6294'-95', 6336'-37', 6476'-77', 6487'-88', 6528'-29', 6584'-85', 6657'-58', 6718'-19', 6723'-24', 6740'-41' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 4223 GAL 16# LINEAR W/4200# 20/40 SAND @ 1-1.5 PPG, 28147 GAL 16# DELTA 200 W/48600# 20/40 SAND @ 2-3 PPG. MTP 6345 PSIG. MTR 49 BPM. ATP 5866 PSIG. ATR 30.9 BPM. ISIP2130 PSIG. RD HALLIBURTON.

STAGE 10. RUWL. SET 6K CFP AT 5585'. PERFORATE Pp / Ca FROM 5412'-13', 5415'-16', 5421'-22', 5429'-30', 5445'-46', 5459'-60', 5463'-64', 5467'-68', 5473'-74', 5483'-84', 5533'-34', 5544'-45', 5548'-49', 5551'-52' @ 2 SPF & 180 DEGREE PHASING. RDWL. RU HALLIBURTON, FRAC DOWN CASING W/55 GAL (BIO 500), 6369 GAL 16# LINEAR W/8000# 20/40 SAND @ 1-1.5 PPG, 38427 GAL 16# DELTA 200 W/143600# 20/40 SAND @ 2-4 PPG. MTP 4365 PSIG. MTR 50.3 BPM. ATP 2868 PSIG. ATR 49.9 BPM. ISIP 1619 PSIG. RD HALLIBURTON.

RUWL. SET 6K CBP AT 5333'. RD CUTTERS WIRELINE. SDFN.

08-21-2010 Reported By HISLOP

DailyCosts: Drilling \$0 Completion \$25,991 Daily Total \$25,991

Cum Costs: Drilling \$591,833 Completion \$614,546 Well Total \$1,206,379

MD 9,350 TVD 9,350 Progress 0 Days 12 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTD : 7154.0 Perf : 5412'-9170' PKR Depth : 0.0

Activity at Report Time: DRILL PLUGS

| Start | End   | Hrs  | Activity Description  |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | MIRUSU. ND FRAC TREE & NU BOP. PRESSURE TESTED BOP & BLIND RAMS TO 3000 PSIG. RIH W/ BIT & PUMP OFF SUB TO 5333'. RU TO DRILL OUT PLUGS. TESTED PIPE RAMS TO 3000 PSIG. SDFN. |

08-24-2010 Reported By HISLOP

DailyCosts: Drilling \$0 Completion \$57,925 Daily Total \$57,925

Cum Costs: Drilling \$591,833 Completion \$672,471 Well Total \$1,264,304

MD 9,350 TVD 9,350 Progress 0 Days 13 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTD : 7154.0 Perf : 5412'-9170' PKR Depth : 0.0

Activity at Report Time: FLOW TEST

| Start | End   | Hrs  | Activity Description   |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 5333', 5585', 6762', 7142', 7380', 7690', 8035', 8300', 8500', & 8810'. CLEANED OUT TO 9265'. LANDED TUBING @ 7776' KB. ND BOP & NU TREE. PUMPED OFF BIT & SUB. RDMOSU. |

FLOWED 14 HRS. 24/64" CHOKE. FTP 850 PSIG. CP1250 PSIG. 54 BFPH. RECOVERED 798 BLW. 11802 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF BIT SUB .91'

1 JT 2-3/8" 4.7# N-80 TBG 32.65'

XN NIPPLE 1.30'

239 JTS 2-3/8" 4.7# N-80 TBG 7721.91'

BELOW KB 19.00'

LANDED @ 7775.77' KB

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|  |                    |                      |   |                           |             |             |    |                        |     |             |     |
|--|--------------------|----------------------|---|---------------------------|-------------|-------------|----|------------------------|-----|-------------|-----|
| <b>08-25-2010</b>  | <b>Reported By</b> | HISLOP               |   |                           |             |             |    |                        |     |             |     |
| <b>Daily Costs: Drilling</b>   | \$0                | <b>Completion</b>    | \$2,910   | <b>Daily Total</b>        | \$2,910     |             |    |                        |     |             |     |
| <b>Cum Costs: Drilling</b>   | \$591,833          | <b>Completion</b>    | \$675,381   | <b>Well Total</b>         | \$1,267,214 |             |    |                        |     |             |     |
| <b>MD</b>  | 9,350              | <b>TVD</b>           | 9,350   | <b>Progress</b>           | 0           | <b>Days</b> | 14 | <b>MW</b>              | 0.0 | <b>Visc</b> | 0.0 |
| <b>Formation : MESAVERDE</b>   |                    | <b>PBTD : 7154.0</b> |   | <b>Perf : 5412'-9170'</b> |             |             |    | <b>PKR Depth : 0.0</b> |     |             |     |
| <b>Activity at Report Time:</b> FLOW TESTING THROUGH BRECO UNIT TO SALES |                    |                      |   |                           |             |             |    |                        |     |             |     |
| <b>Start</b>   | <b>End</b>         | <b>Hrs</b>           | <b>Activity Description</b>   |                           |             |             |    |                        |     |             |     |
| 06:00  | 06:00              | 24.0                 | FLOWED THROUGH TEST UNIT TO SALES. 24 HRS. 24/64" CHOKE. FTP 900 PSIG. CP 1600 PSIG. 32 BFPH. RECOVERED 783 BLW. 7019 BLWTR. 241 MCFD RATE. |                           |             |             |    |                        |     |             |     |

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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.  
UTU01304

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other  
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.  
Other \_\_\_\_\_

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

2. Name of Operator  
EOG RESOURCES, INC. Contact: MICHELLE E ROBLES  
E-Mail: MICHELLE\_ROBLES@EOGRESOURCES.COM

8. Lease Name and Well No.  
EAST CHAPITA 86-03

3. Address 1060 EAST HIGHWAY 40  
VERNAL, UT 84078

3a. Phone No. (include area code)  
Ph: 307-276-4842

9. API Well No.  
43-047-50198

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*

At surface SWNW 2063FNL 818FWL 40.06632 N Lat, 109.31970 W Lon

At top prod interval reported below SWNW 2063FNL 818FWL 40.06632 N Lat, 109.31970 W Lon

At total depth SWNW 2063FNL 818FWL 40.06632 N Lat, 109.31970 W Lon

10. Field and Pool, or Exploratory  
NATURAL BUTTES11. Sec., T., R., M., or Block and Survey  
or Area Sec 3 T9S R23E Mer SLB12. County or Parish  
UINTAH13. State  
UT14. Date Spudded  
06/18/201015. Date T.D. Reached  
07/27/201016. Date Completed  
☐ D & A ☒ Ready to Prod.  
08/24/201017. Elevations (DF, KB, RT, GL)\*  
4996 GL18. Total Depth: MD  
TVD 935019. Plug Back T.D.: MD  
TVD 715420. Depth Bridge Plug Set: MD  
TVD21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
RST/CBL/CCL/VDL/GR22. Was well cored? ☒ No ☐ Yes (Submit analysis)  
Was DST run? ☒ No ☐ Yes (Submit analysis)  
Directional Survey? ☒ No ☐ Yes (Submit analysis)

## 23. Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 12.250    | 9.625 J55  | 36.0        | 0        | 2619        |                      | 700                         |                   | 0           |               |
| 7.875     | 4.500 N80  | 11.6        | 0        | 9349        |                      | 1860                        |                   | 0           |               |
|           |            |             |          |             |                      |                             |                   |             |               |
|           |            |             |          |             |                      |                             |                   |             |               |
|           |            |             |          |             |                      |                             |                   |             |               |
|           |            |             |          |             |                      |                             |                   |             |               |

## 24. Tubing Record

| Size  | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|-------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 2.375 | 7776           |                   |      |                |                   |      |                |                   |

## 25. Producing Intervals

## 26. Perforation Record

| Formation          | Top  | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|--------------------|------|--------|---------------------|------|-----------|--------------|
| MASATACH/MESAVERDE | 5412 | 9170   | 8923 TO 9170        |      | 2         |              |
| B)                 |      |        | 8539 TO 8783        |      | 2         |              |
| C)                 |      |        | 8323 TO 8471        |      | 3         |              |
| D)                 |      |        | 8072 TO 8281        |      | 2         |              |

## 27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

| Depth Interval | Amount and Type of Material                    |
|----------------|--|
| 8923 TO 9170   | 42,422 GALS GELLED WATER & 120,200# 20/40 SAND |
| 8539 TO 8783   | 61,789 GALS GELLED WATER & 192,400# 20/40 SAND |
| 8323 TO 8471   | 39,535 GALS GELLED WATER & 115,600# 20/40 SAND |
| 8072 TO 8281   | 50,380 GALS GELLED WATER & 159,200# 20/40 SAND |

## 28. Production - Interval A

| Date First Produced | Test Date            | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| 08/24/2010          | 09/08/2010           | 24           | →               | 30.0    | 712.0   | 494.0     |                       |             | FLows FROM WELL   |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio         | Well Status |                   |
| 24/64               | 650                  | 1400.0       | →               | 30      | 712     | 494       |                       | PGW         |                   |

## 28a. Production - Interval B

| Date First Produced | Test Date            | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
|                     |                      |              | →               |         |         |           |                       |             |                   |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio         | Well Status |                   |
|                     |                      |              | →               |         |         |           |                       |             |                   |

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #93195 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

RECEIVED  
SEP 27 2010

DIV. OF OIL, GAS &amp; MINING

## 28b. Production - Interval C

| Date First Produced | Test Date            | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
|                     |                      |              | →               |         |         |           |                       |             |                   |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio         | Well Status |                   |
|                     |                      |              | →               |         |         |           |                       |             |                   |

## 28c. Production - Interval D

| Date First Produced | Test Date            | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
|                     |                      |              | →               |         |         |           |                       |             |                   |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio         | Well Status |                   |
|                     |                      |              | →               |         |         |           |                       |             |                   |

29. Disposition of Gas(Sold, used for fuel, vented, etc.)  
SOLD

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 31. Formation (Log) Markers

| Formation         | Top  | Bottom | Descriptions, Contents, etc. | Name   | Top<br>Meas. Depth   |
|-------------------|------|--------|------------------------------|--|--|
| WASATCH/MESAVERDE | 5412 | 9170   |                              | GREEN RIVER<br>BIRDS NEST<br>MAHOGONY<br>UTELAND BUTTE<br>WASATCH<br>CHAPITA WELLS<br>BUCK CANYON<br>PRICE RIVER | 1697<br>2007<br>2635<br>4714<br>4857<br>5460<br>6149<br>7124 |

## 32. Additional remarks (include plugging procedure):

## 33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd.)      2. Geologic Report      3. DST Report      4. Directional Survey  
5. Sundry Notice for plugging and cement verification      6. Core Analysis      7. Other:

## 34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

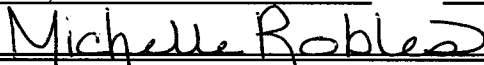
Electronic Submission #93195 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal

Name (please print) MICHELLE E ROBLES

Title REGULATORY ASSISTANT

Signature (Electronic Submission)

Date 09/22/2010



Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\*

**East Chapita 86-03 ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

|           |       |
|-----------|-------|
| 7793-8017 | 2/spf |
| 7412-7668 | 2/spf |
| 7198-7360 | 2/spf |
| 6802-7123 | 2/spf |
| 6111-6741 | 2/spf |
| 5412-5552 | 2/spf |

**27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.**

|           |  |
|-----------|--|
| 7793-8017 | 48,391 GALS GELLED WATER & 151,400# 20/40 SAND |
| 7412-7668 | 42,356 GALS GELLED WATER & 129,400# 20/40 SAND |
| 7198-7360 | 51,996 GALS GELLED WATER & 167,700# 20/40 SAND |
| 6802-7123 | 56,229 GALS GELLED WATER & 180,100# 20/40 SAND |
| 6111-6741 | 32,425 GALS GELLED WATER & 52,800# 20/40 SAND  |
| 5412-5552 | 44,851 GALS GELLED WATER & 151,600# 20/40 SAND |

PERFORATE LOWER PRICE RIVER FROM 8923'-24', 8934'-35', 8940'-41', 8951'-52', 8990'-91', 9013'-14', 9051'-52', 9084'-85', 9110'-11', 9131'-32', 9143'-44', 9157'-58', 9164'-65', 9169'-70' @ 2 SPF.

PERFORATE MIDDLE PRICE RIVER / LOWER PRICE RIVER FROM 8539'-40', 8546'-47', 8558'-59', 8572'-73', 8583'-84', 8614'-15', 8634'-35', 8645'-46', 8653'-54', 8675'-76', 8700'-01', 8724'-25', 8747'-48', 8782'-83' @ 2 SPF.

PERFORATE MIDDLE PRICE RIVER FROM 8323'-24', 8333'-34', 8344'-45', 8352'-53', 8368'-69', 8392'-93', 8419'-20', 8425'-26', 8436'-37', 8458'-59', 8463'-64', 8470'-71' @ 3 SPF.

PERFORATE MIDDLE PRICE RIVER FROM 8072'-73', 8080'-81', 8089'-90', 8097'-98', 8106'-07', 8111'-12', 8122'-23', 8177'-78', 8181'-82', 8193'-94', 8252'-53', 8262'-63', 8272'-73', 8280'-81' @ 2 SPF.

PERFORATE UPPER PRICE RIVER / MIDDLE PRICE RIVER FROM 7793'-94', 7806'-07', 7812'-13', 7845'-46', 7852'-53', 7876'-77', 7904'-05', 7925'-26', 7934'-35', 7943'-44', 7952'-53', 7968'-69', 7983'-84', 8016'-17' @ 2 SPF.

PERFORATE UPPER PRICE RIVER FROM 7412'-13', 7419'-20', 7423'-24', 7460'-61', 7470'-71', 7494'-95', 7501'-02', 7510'-11', 7524'-25', 7534'-35', 7557'-58', 7595'-96', 7658'-59', 7667'-68' @ 2 SPF.

PERFORATE UPPER PRICE RIVER FROM 7198'-99', 7207'-08', 7215'-16', 7223'-24', 7250'-51', 7265'-66', 7274'-75', 7284'-85', 7296'-97', 7304'-05', 7326'-27', 7338'-39', 7350'-51', 7359'-60' @ 2 SPF.

PERFORATE NORTH HORN FROM 6802'-03', 6807'-08', 6930'-31', 6941'-42', 6947'-48', 6957'-58', 6967'-68', 7019'-20', 7046'-47', 7082'-83', 7090'-91', 7102'-03', 7112'-13', 7122'-23' @ 2 SPF.

PERFORATE Ca / Ba FROM 6111'-12', 6137'-38', 6214'-15', 6223'-24', 6294'-95', 6336'-37', 6476'-77', 6487'-88', 6528'-29', 6584'-85', 6657'-58', 6718'-19', 6723'-24', 6740'-41' @ 2 SPF.

PERFORATE Pp / Ca FROM 5412'-13', 5415'-16', 5421'-22', 5429'-30', 5445'-46', 5459'-60', 5463'-64', 5467'-68', 5473'-74', 5483'-84', 5533'-34', 5544'-45', 5548'-49', 5551'-52' @ 2 SPF.

## **52.FORMATION MARKERS**

|                    |      |
|--------------------|------|
| Middle Price River | 7857 |
| Lower Price River  | 8655 |
| Sego               | 9207 |

|   |   |   |   |  |   |
|---|---|---|---|--|---|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING   |   | <b>FORM 9</b>   |   |  |   |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.  |   | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>UTU01304  |   |  |   |
| <b>1. TYPE OF WELL</b><br>Gas Well  |   | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  |   |  |   |
| <b>2. NAME OF OPERATOR:</b><br>EOG Resources, Inc.  |   | <b>7. UNIT or CA AGREEMENT NAME:</b>  |   |  |   |
| <b>3. ADDRESS OF OPERATOR:</b><br>600 17th Street, Suite 1000 N , Denver, CO, 80202   |   | <b>8. WELL NAME and NUMBER:</b><br>EAST CHAPITA 86-03   |   |  |   |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>2063 FNL 0818 FWL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: SWNW Section: 03 Township: 09.0S Range: 23.0E Meridian: S   |   | <b>9. API NUMBER:</b><br>43047501980000   |   |  |   |
| <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES  |   | <b>COUNTY:</b><br>UINTAH  |   |  |   |
| <b>STATE:</b><br>UTAH   |   |   |   |  |   |
| <b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>  |   |   |   |  |   |
| <b>TYPE OF SUBMISSION</b>   | <b>TYPE OF ACTION</b>   |   |   |  |   |
| <input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b><br>Approximate date work will start:<br>4/9/2012<br><br><input type="checkbox"/> <b>SUBSEQUENT REPORT</b><br>Date of Work Completion:<br><br><input type="checkbox"/> <b>SPUD REPORT</b><br>Date of Spud:<br><br><input type="checkbox"/> <b>DRILLING REPORT</b><br>Report Date:  | <table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ACIDIZE<br/> <input type="checkbox"/> CHANGE TO PREVIOUS PLANS<br/> <input type="checkbox"/> CHANGE WELL STATUS<br/> <input type="checkbox"/> DEEPEN<br/> <input type="checkbox"/> OPERATOR CHANGE<br/> <input type="checkbox"/> PRODUCTION START OR RESUME<br/> <input type="checkbox"/> REPERFORATE CURRENT FORMATION<br/> <input type="checkbox"/> TUBING REPAIR<br/> <input type="checkbox"/> WATER SHUTOFF<br/> <input type="checkbox"/> WILDCAT WELL DETERMINATION         </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> ALTER CASING<br/> <input type="checkbox"/> CHANGE TUBING<br/> <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS<br/> <input type="checkbox"/> FRACTURE TREAT<br/> <input type="checkbox"/> PLUG AND ABANDON<br/> <input type="checkbox"/> RECLAMATION OF WELL SITE<br/> <input type="checkbox"/> SIDETRACK TO REPAIR WELL<br/> <input type="checkbox"/> VENT OR FLARE<br/> <input type="checkbox"/> SI TA STATUS EXTENSION<br/> <input checked="" type="checkbox"/> OTHER         </td> <td style="width: 33%; vertical-align: top;"> <input type="checkbox"/> CASING REPAIR<br/> <input type="checkbox"/> CHANGE WELL NAME<br/> <input type="checkbox"/> CONVERT WELL TYPE<br/> <input type="checkbox"/> NEW CONSTRUCTION<br/> <input type="checkbox"/> PLUG BACK<br/> <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION<br/> <input type="checkbox"/> TEMPORARY ABANDON<br/> <input type="checkbox"/> WATER DISPOSAL<br/> <input type="checkbox"/> APD EXTENSION<br/>           OTHER: <span style="border: 1px solid black; padding: 2px;">Compressor&amp;H2S Treater</span> </td> </tr> </table> |   | <input type="checkbox"/> ACIDIZE<br><input type="checkbox"/> CHANGE TO PREVIOUS PLANS<br><input type="checkbox"/> CHANGE WELL STATUS<br><input type="checkbox"/> DEEPEN<br><input type="checkbox"/> OPERATOR CHANGE<br><input type="checkbox"/> PRODUCTION START OR RESUME<br><input type="checkbox"/> REPERFORATE CURRENT FORMATION<br><input type="checkbox"/> TUBING REPAIR<br><input type="checkbox"/> WATER SHUTOFF<br><input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> ALTER CASING<br><input type="checkbox"/> CHANGE TUBING<br><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS<br><input type="checkbox"/> FRACTURE TREAT<br><input type="checkbox"/> PLUG AND ABANDON<br><input type="checkbox"/> RECLAMATION OF WELL SITE<br><input type="checkbox"/> SIDETRACK TO REPAIR WELL<br><input type="checkbox"/> VENT OR FLARE<br><input type="checkbox"/> SI TA STATUS EXTENSION<br><input checked="" type="checkbox"/> OTHER | <input type="checkbox"/> CASING REPAIR<br><input type="checkbox"/> CHANGE WELL NAME<br><input type="checkbox"/> CONVERT WELL TYPE<br><input type="checkbox"/> NEW CONSTRUCTION<br><input type="checkbox"/> PLUG BACK<br><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION<br><input type="checkbox"/> TEMPORARY ABANDON<br><input type="checkbox"/> WATER DISPOSAL<br><input type="checkbox"/> APD EXTENSION<br>OTHER: <span style="border: 1px solid black; padding: 2px;">Compressor&amp;H2S Treater</span> |
| <input type="checkbox"/> ACIDIZE<br><input type="checkbox"/> CHANGE TO PREVIOUS PLANS<br><input type="checkbox"/> CHANGE WELL STATUS<br><input type="checkbox"/> DEEPEN<br><input type="checkbox"/> OPERATOR CHANGE<br><input type="checkbox"/> PRODUCTION START OR RESUME<br><input type="checkbox"/> REPERFORATE CURRENT FORMATION<br><input type="checkbox"/> TUBING REPAIR<br><input type="checkbox"/> WATER SHUTOFF<br><input type="checkbox"/> WILDCAT WELL DETERMINATION   | <input type="checkbox"/> ALTER CASING<br><input type="checkbox"/> CHANGE TUBING<br><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS<br><input type="checkbox"/> FRACTURE TREAT<br><input type="checkbox"/> PLUG AND ABANDON<br><input type="checkbox"/> RECLAMATION OF WELL SITE<br><input type="checkbox"/> SIDETRACK TO REPAIR WELL<br><input type="checkbox"/> VENT OR FLARE<br><input type="checkbox"/> SI TA STATUS EXTENSION<br><input checked="" type="checkbox"/> OTHER  | <input type="checkbox"/> CASING REPAIR<br><input type="checkbox"/> CHANGE WELL NAME<br><input type="checkbox"/> CONVERT WELL TYPE<br><input type="checkbox"/> NEW CONSTRUCTION<br><input type="checkbox"/> PLUG BACK<br><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION<br><input type="checkbox"/> TEMPORARY ABANDON<br><input type="checkbox"/> WATER DISPOSAL<br><input type="checkbox"/> APD EXTENSION<br>OTHER: <span style="border: 1px solid black; padding: 2px;">Compressor&amp;H2S Treater</span> |   |  |   |
| <b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b><br><br><div style="display: flex; justify-content: space-between;"> <div style="width: 70%;"> <p>EOG Resources, Inc. respectfully requests authorization to install a Caterpillar 3306 gas engine skid mounted mobile unit or equivalent, with an associated small H2S treatment facility on the existing well pad. The unit would be set on existing disturbance for a minimum of 1 year and tie into the existing well. The purpose is to enhance production with gas lift and safely incorporate the existence and treatment of H2S with the treatment facility. The target formation is the mesaverde and initial start-up would be upon approval of this sundry. Attached please find the well pad location TOPO B, a current as-built site facility diagram and H2S justification. An update site facility diagram will follow post installation.</p> </div> <div style="width: 25%; text-align: right;"> <p><b>Accepted by the</b><br/> <b>Utah Division of</b><br/> <b>Oil, Gas and Mining</b></p> <p><b>Date:</b> May 11, 2012</p> <p><b>By:</b> <u><i>Derek Quist</i></u></p> </div> </div> |   |   |   |  |   |
| <b>NAME (PLEASE PRINT)</b><br>Mickenzie Gates   | <b>PHONE NUMBER</b><br>435 781-9145   | <b>TITLE</b><br>Operations Clerk  |   |  |   |
| <b>SIGNATURE</b><br>N/A   | <b>DATE</b><br>4/9/2012   |   |   |  |   |



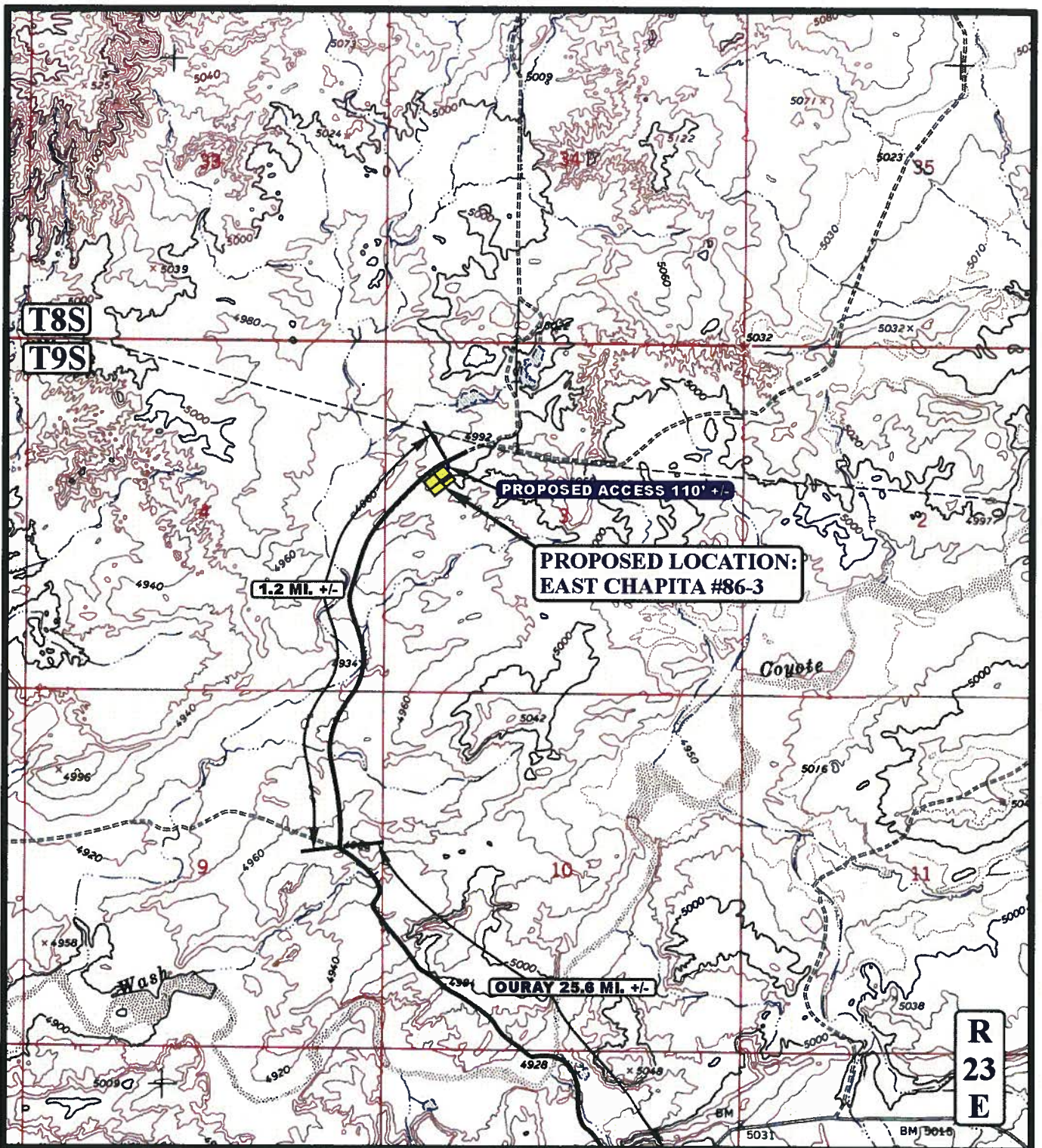
### **H2S Verification for Compressor Sundry**

**Located on existing well pad East Chapita 86-03**

#### **Section 3, T9S, R23E, SLB&M**

H2S in the surface gas gathering system is a result of bacterial contamination of the subsurface formation by sulfate reducing bacteria. These bacteria produce gaseous H2S as a function of their metabolism. Due to the fact that not all wells are contaminated with H2S, this leads to fluctuations in the concentration of this contaminate. Acute increases in H2S in the surface gas gathering systems are a result of sour gas and the line temperature. These conditions cause H2S treating to become variable and difficult to manage on a well to well basis.

Installing this facility has additional direct and indirect benefits. The reduction of H2S in the surface gas will improve the operational safety by preventing exposure of the personnel from accidental releases. It will also serve to reduce corrosion in surface piping and equipment thereby extending the life of the pipe and will require less maintenance. Furthermore, it will eliminate the risk of unintentional release of H2S into the atmosphere and decrease impacts to the air quality in the area.



**LEGEND:**

————— EXISTING ROAD  
 - - - - - PROPOSED ACCESS ROAD

**EOG RESOURCES, INC.**

**EAST CHAPITA #86-3**  
**SECTION 3, T9S, R23E, S.L.B.&M.**  
**2063' FNL 818' FWL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

**09 18 08**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: Z.L. REVISED: 00-00-00

**B**  
**TOPO**





Well Name: EAST CHAPITA 86-03  
1/4 1/4:SW/NW Sec: 3 T:9S R:23E  
County: UINTAH State: UTAH  
Lease: UTU-01304  
Well Type: Oil: Gas: X Disposal:

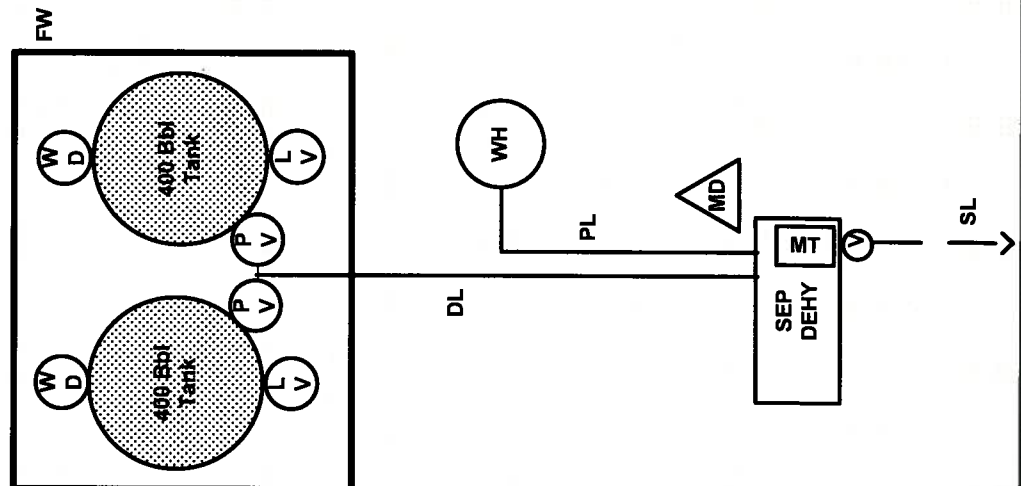


Site facility diagrams & site security plans are located at the Vernal office in Vernal, Utah. The office is located at 1060 East Hwy 40 and normal business hours are 7:00 a.m. to 4:30 p.m. Mon -Thurs and 7:00 a.m. to 1:00 p.m. Fridays.

Valve Production Phase Sales Phase Water Drain

|    |    |    |    |
|----|----|----|----|
| PV | O  | SC | SC |
| LV | SC | O  | SC |
| WD | SC | SC | O  |

Date: 08/18/2010



Abbreviations

- AM= Allocation Meter
  - AR = Access Road
  - BP = Booster Pump
  - CHT = Chemical Tank
  - COM = Combuster
  - COMP = Compressor
  - CON = Condenser
  - CT = Condensate Tank
  - DH = Dehydrator
  - DL = Dump Line
  - EP = Electrical Panel
  - ET = Emergency Tank
  - FGS = Fuel Gas Scrubber
  - FT = Fiberglass Tub
  - FW = Firewall
  - GB = Gas Buster
  - GEN = Generator
  - LACT = LACT Unit
  - LH = Line Heater
  - LV = Load Valve
  - MAN = Manifold
  - MB = Methanol Bath
  - MT = Meter Tube
  - MD = Meter Display
  - O = Open
  - OT = Oil Tank
  - PIGL = Pig Launcher
  - PIGR = Pig Receiver
  - PL = Production Line
  - PP = Power Pole
  - PT = Propane Tank
  - PU = Pumping Unit
  - PV = Production Valve
  - PW = Produced Water
  - RL = Recycle Line
  - RP = Recycle Pump
  - RV = Recycle Valve
  - SC = Sealed Closed
  - SGS = Sales Gas Scrubber
  - SL = Sales Line
  - SM = Sales Meter
  - SO = Sealed Open
  - SP = Separator
  - SV = Sales Valve
  - T = Treater
  - TP = Trace Pump
  - V = Valve
  - WD = Water Drain
  - WDP = Water Disposal Pump
  - WFP = Water Flood Pump
  - WH = Wellhead
- = Buried Line  
----- = Unburied Line

## DIVISION OF OIL, GAS AND MINING

### **SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: EAST CHAPITA 86-03

Api No: 43-047-50198 Lease Type: FEDERAL

Section 03 Township 09S Range 23E County UINTAH

Drilling Contractor CRAIG'S ROUTABOUT SERV RIG # BUCKET

### **SPUDDED:**

Date 06/18/2010

Time 11:00 AM

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by KENT DAVENPORT

Telephone # (435) 828-8200

Date 06/21/2010 Signed CHD

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: EOG Resources, Inc. Operator Account Number: N 9550  
Address: 1060 East Highway 40  
city Vernal  
state UT zip 84078 Phone Number: (307) 276-4842

**Well 1**

| API Number   | Well Name             |                   | QQ        | Sec | Twp                              | Rng | County |
|--|-----------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 43-047-50198                                       | EAST CHAPITA 86-03    |                   | SWNW      | 3   | 9S                               | 23E | UINTAH |
| Action Code  | Current Entity Number | New Entity Number | Spud Date |     | Entity Assignment Effective Date |     |        |
| A  | 99999                 | 17658             | 6/18/2010 |     | 7/15/10                          |     |        |
| Comments: WASATCH/MESAVERDE<br>PRRV = MVRD = WSMVD |                       |                   |           |     |                                  |     |        |

**Well 2**

| API Number  | Well Name             |                   | QQ        | Sec | Twp                              | Rng | County |
|-------------|-----------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
|             |                       |                   |           |     |                                  |     |        |
| Action Code | Current Entity Number | New Entity Number | Spud Date |     | Entity Assignment Effective Date |     |        |
|             |                       |                   |           |     |                                  |     |        |
| Comments:   |                       |                   |           |     |                                  |     |        |

**Well 3**

| API Number  | Well Name             |                   | QQ        | Sec | Twp                              | Rng | County |
|-------------|-----------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
|             |                       |                   |           |     |                                  |     |        |
| Action Code | Current Entity Number | New Entity Number | Spud Date |     | Entity Assignment Effective Date |     |        |
|             |                       |                   |           |     |                                  |     |        |
| Comments:   |                       |                   |           |     |                                  |     |        |

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

**RECEIVED**

JUN 22 2010

Michelle Robles

Name (Please Print)

*Michelle Robles*

Signature

Regulatory Assistant

6/22/2010

Title

Date

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.  
UTU01304

|   |  |  |   |  |  |
|---|--|--|---|--|--|
| 1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other   |  |  | 6. If Indian, Allottee or Tribe Name  |  |  |
| b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr.<br>Other _____   |  |  | 7. Unit or CA Agreement Name and No.  |  |  |
| 2. Name of Operator<br>EOG RESOURCES, INC.  |  |  | Contact: MICHELLE E ROBLES<br>E-Mail: MICHELLE_ROBLES@EOGRESOURCES.COM      |  |  |
| 3. Address 1060 EAST HIGHWAY 40<br>VERNAL, UT 84078   |  |  | 3a. Phone No. (include area code)<br>Ph: 307-276-4842                       |  |  |
| 4. Location of Well (Report location clearly and in accordance with Federal requirements)*<br>At surface SWNW 2063FNL 818FWL 40.06632 N Lat, 109.31970 W Lon<br>At top prod interval reported below SWNW 2063FNL 818FWL 40.06632 N Lat, 109.31970 W Lon<br>At total depth SWNW 2063FNL 818FWL 40.06632 N Lat, 109.31970 W Lon |  |  | 8. Lease Name and Well No.<br>EAST CHAPITA 86-03                            |  |  |
| 14. Date Spudded<br>06/18/2010  |  |  | 15. Date T.D. Reached<br>07/27/2010   |  |  |
| 16. Date Completed<br><input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.<br>08/24/2010   |  |  | 9. API Well No.<br>43-047-50198   |  |  |
| 18. Total Depth: MD<br>TVD 9350   |  |  | 19. Plug Back T.D.: MD<br>TVD 7154  |  |  |
| 20. Depth Bridge Plug Set: MD<br>TVD  |  |  | 10. Field and Pool, or Exploratory<br>NATURAL BUTTES                        |  |  |
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each)<br>RST/CBL/CCL/VDL/GR   |  |  | 11. Sec., T., R., M., or Block and Survey<br>or Area Sec 3 T9S R23E Mer SLB |  |  |
| 22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)<br>Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)<br>Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)  |  |  | 12. County or Parish<br>UINTAH  |  |  |
|   |  |  | 13. State<br>UT   |  |  |
|   |  |  | 17. Elevations (DF, KB, RT, GL)*<br>4996 GL                                 |  |  |

## 23. Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sks. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|------------------------------|-------------------|-------------|---------------|
| 12.250    | 9.625 J55  | 36.0        | 0        | 2619        |                      | 700                          |                   | 0           |               |
| 7.875     | 4.500 N80  | 11.6        | 0        | 9349        |                      | 1860                         |                   | 0           |               |
|           |            |             |          |             |                      |                              |                   |             |               |
|           |            |             |          |             |                      |                              |                   |             |               |
|           |            |             |          |             |                      |                              |                   |             |               |
|           |            |             |          |             |                      |                              |                   |             |               |

## 24. Tubing Record

| Size  | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|-------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 2.375 | 7776           |                   |      |                |                   |      |                |                   |

## 25. Producing Intervals

## 26. Perforation Record 5412

| Formation          | Top  | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|--------------------|------|--------|---------------------|------|-----------|--------------|
| MESATACH/MESAVERDE | 5412 | 9170   | 8923 TO 9170        |      | 2         |              |
| B)                 |      |        | 8539 TO 8783        |      | 2         |              |
| C)                 |      |        | 8323 TO 8471        |      | 3         |              |
| D)                 |      |        | 8072 TO 8281        |      | 2         |              |

## 27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

| Depth Interval | Amount and Type of Material                    |
|----------------|--|
| 8923 TO 9170   | 42,422 GALS GELLED WATER & 120,200# 20/40 SAND |
| 8539 TO 8783   | 61,789 GALS GELLED WATER & 192,400# 20/40 SAND |
| 8323 TO 8471   | 39,535 GALS GELLED WATER & 115,600# 20/40 SAND |
| 8072 TO 8281   | 50,380 GALS GELLED WATER & 159,200# 20/40 SAND |

## 28. Production - Interval A

| Date First Produced | Test Date            | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| 08/24/2010          | 09/08/2010           | 24           | →               | 30.0    | 712.0   | 494.0     |                       |             | FLows FROM WELL   |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio         | Well Status |                   |
| 24/64               | 650                  | 1400.0       | →               | 30      | 712     | 494       |                       | PGW         |                   |

## 28a. Production - Interval B

| Date First Produced | Test Date            | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
|                     |                      |              | →               |         |         |           |                       |             |                   |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio         | Well Status |                   |
|                     |                      |              | →               |         |         |           |                       |             |                   |

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #93195 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

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SEP 27 2010

DIV. OF OIL, GAS &amp; MINING

## 28b. Production - Interval C

| Date First Produced | Test Date            | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
|                     |                      |              | — ▾             |         |         |           |                       |             |                   |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio         | Well Status |                   |
|                     |                      |              | — ▾             |         |         |           |                       |             |                   |

## 28c. Production - Interval D

| Date First Produced | Test Date            | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
|                     |                      |              | — ▾             |         |         |           |                       |             |                   |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio         | Well Status |                   |
|                     |                      |              | — ▾             |         |         |           |                       |             |                   |

## 29. Disposition of Gas(Sold, used for fuel, vented, etc.)

SOLD

## 30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

## 31. Formation (Log) Markers

| Formation         | Top  | Bottom | Descriptions, Contents, etc. | Name          | Top         |
|-------------------|------|--------|------------------------------|---------------|-------------|
|                   |      |        |                              |               | Meas. Depth |
| WASATCH/MESAVERDE | 5412 | 9170   |                              | GREEN RIVER   | 1697        |
|                   |      |        |                              | BIRDS NEST    | 2007        |
|                   |      |        |                              | MAHOGONY      | 2635        |
|                   |      |        |                              | UTELAND BUTTE | 4714        |
|                   |      |        |                              | WASATCH       | 4857        |
|                   |      |        |                              | CHAPITA WELLS | 5460        |
|                   |      |        |                              | BUCK CANYON   | 6149        |
|                   |      |        |                              | PRICE RIVER   | 7124        |

## 32. Additional remarks (include plugging procedure):

## 33. Circle enclosed attachments:

- |   |                    |               |                       |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.)     | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis   | 7. Other:     |                       |

## 34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

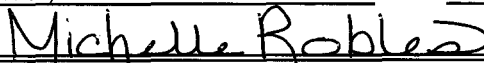
Electronic Submission #93195 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal

Name (please print) MICHELLE E ROBLES

Title REGULATORY ASSISTANT

Signature (Electronic Submission)

Date 09/22/2010



Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\***



**East Chapita 86-03 ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

|           |       |
|-----------|-------|
| 7793-8017 | 2/spf |
| 7412-7668 | 2/spf |
| 7198-7360 | 2/spf |
| 6802-7123 | 2/spf |
| 6111-6741 | 2/spf |
| 5412-5552 | 2/spf |

**27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.**

|           |  |
|-----------|--|
| 7793-8017 | 48,391 GALS GELLED WATER & 151,400# 20/40 SAND |
| 7412-7668 | 42,356 GALS GELLED WATER & 129,400# 20/40 SAND |
| 7198-7360 | 51,996 GALS GELLED WATER & 167,700# 20/40 SAND |
| 6802-7123 | 56,229 GALS GELLED WATER & 180,100# 20/40 SAND |
| 6111-6741 | 32,425 GALS GELLED WATER & 52,800# 20/40 SAND  |
| 5412-5552 | 44,851 GALS GELLED WATER & 151,600# 20/40 SAND |

PERFORATE LOWER PRICE RIVER FROM 8923'-24', 8934'-35', 8940'-41', 8951'-52', 8990'-91', 9013'-14', 9051'-52', 9084'-85', 9110'-11', 9131'-32', 9143'-44', 9157'-58', 9164'-65', 9169'-70' @ 2 SPF.

PERFORATE MIDDLE PRICE RIVER / LOWER PRICE RIVER FROM 8539'-40', 8546'-47', 8558'-59', 8572'-73', 8583'-84', 8614'-15', 8634'-35', 8645'-46', 8653'-54', 8675'-76', 8700'-01', 8724'-25', 8747'-48', 8782'-83' @ 2 SPF.

PERFORATE MIDDLE PRICE RIVER FROM 8323'-24', 8333'-34', 8344'-45', 8352'-53', 8368'-69', 8392'-93', 8419'-20', 8425'-26', 8436'-37', 8458'-59', 8463'-64', 8470'-71' @ 3 SPF.

PERFORATE MIDDLE PRICE RIVER FROM 8072'-73', 8080'-81', 8089'-90', 8097'-98', 8106'-07', 8111'-12', 8122'-23', 8177'-78', 8181'-82', 8193'-94', 8252'-53', 8262'-63', 8272'-73', 8280'-81' @ 2 SPF.

PERFORATE UPPER PRICE RIVER / MIDDLE PRICE RIVER FROM 7793'-94', 7806'-07', 7812'-13', 7845'-46', 7852'-53', 7876'-77', 7904'-05', 7925'-26', 7934'-35', 7943'-44', 7952'-53', 7968'-69', 7983'-84', 8016'-17' @ 2 SPF.

PERFORATE UPPER PRICE RIVER FROM 7412'-13', 7419'-20', 7423'-24', 7460'-61', 7470'-71', 7494'-95', 7501'-02', 7510'-11', 7524'-25', 7534'-35', 7557'-58', 7595'-96', 7658'-59', 7667'-68' @ 2 SPF.

PERFORATE UPPER PRICE RIVER FROM 7198'-99', 7207'-08', 7215'-16', 7223'-24', 7250'-51', 7265'-66', 7274'-75', 7284'-85', 7296'-97', 7304'-05', 7326'-27', 7338'-39', 7350'-51', 7359'-60' @ 2 SPF.

PERFORATE NORTH HORN FROM 6802'-03', 6807'-08', 6930'-31', 6941'-42', 6947'-48', 6957'-58', 6967'-68', 7019'-20', 7046'-47', 7082'-83', 7090'-91', 7102'-03', 7112'-13', 7122'-23' @ 2 SPF.

PERFORATE Ca / Ba FROM 6111'-12', 6137'-38', 6214'-15', 6223'-24', 6294'-95', 6336'-37', 6476'-77', 6487'-88', 6528'-29', 6584'-85', 6657'-58', 6718'-19', 6723'-24', 6740'-41' @ 2 SPF.

PERFORATE Pp / Ca FROM 5412'-13', 5415'-16', 5421'-22', 5429'-30', 5445'-46', 5459'-60', 5463'-64', 5467'-68', 5473'-74', 5483'-84', 5533'-34', 5544'-45', 5548'-49', 5551'-52' @ 2 SPF.

## **52.FORMATION MARKERS**

|                    |      |
|--------------------|------|
| Middle Price River | 7857 |
| Lower Price River  | 8655 |
| Sego               | 9207 |